Manitoba

Annual Report 1989-90

Rural Development

92-03761/

Minister of
Rural Development

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour George Johnson
Lieutenant Government of Manitoba
235 Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour:

I have the privilege to present for your information the first Annual Report of the Department of Rural Development.

Within this first report of Manitoba Rural Development, both our new mandate and our continuing commitment to Municipal Manitoba are reflected in the activities described.

This Report was prepared under the direction of my predecessor, the Honourable Jack Penner. It describes the activities of the Department for the fiscal year ended March 31, 1990.

Respectfully submitted,

James E. Downey

Manitoba

Manitoba

Deputy Minister of
Municipal Affairs

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

Honourable James E. Downey
Minister of Rural Development
333 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Sir:

I am pleased to present to you the first Annual Report of the Department of Rural Development.

It is with mixed feelings that we saw the passing this year of Manitoba Municipal Affairs. Since the passage of the first comprehensive Municipal Act and the appointment of the first Municipal Commissioner in 1886, Municipal Affairs provided the linkage between the province and the municipalities. Over the decades, Municipal Affairs evolved and altered, in response to the expressed needs of our municipal partners and according to government direction.

This year marked the time to move on. Manitoba's new department of Rural Development has an expanded mandate and an enlarged client group. Through our comprehensive services which are described on the pages which follow, Manitoba Rural Development is meeting the challenges represented by the 90's and anticipating the century to come.

Respectfully submitted,

G. D. Forrest

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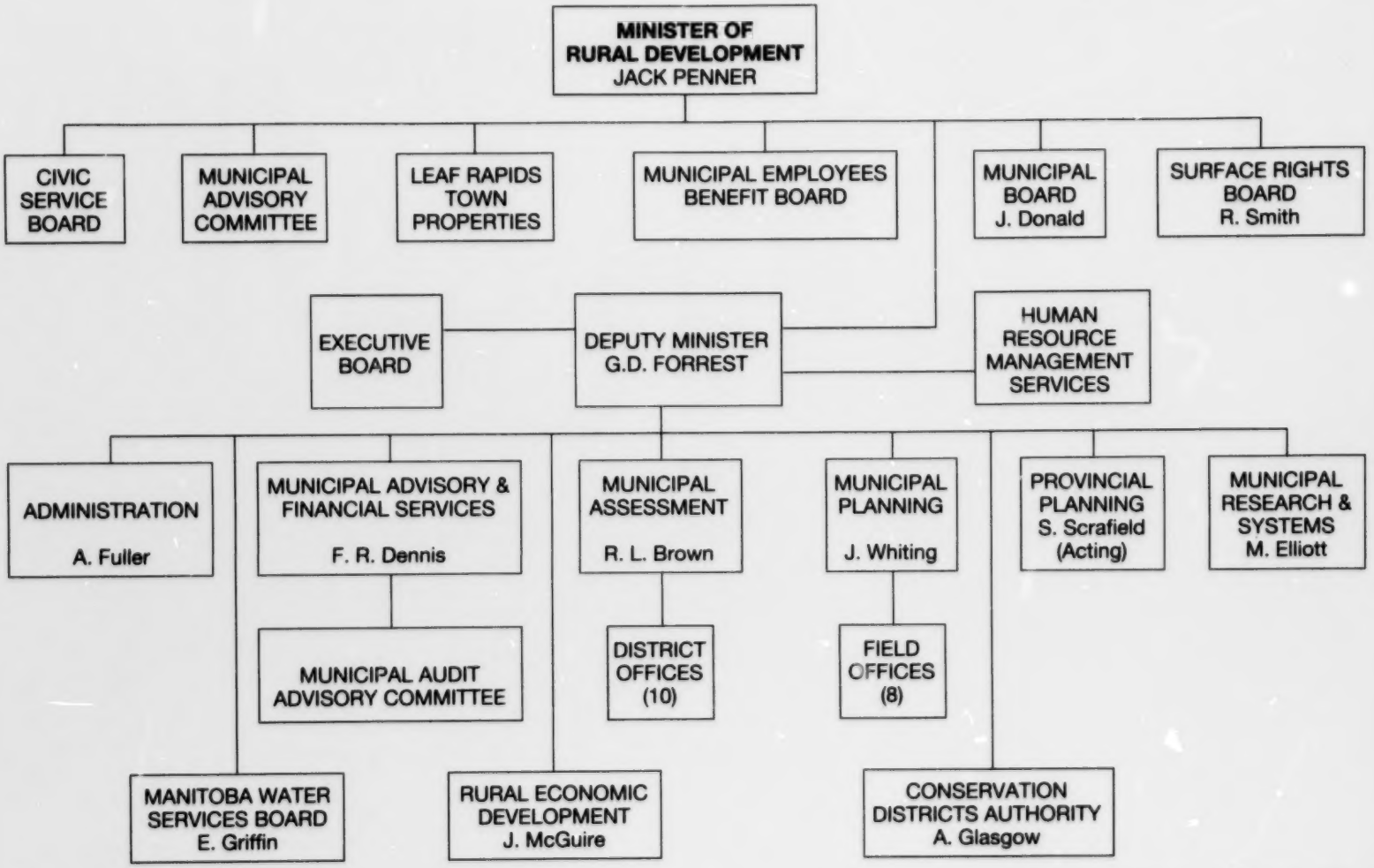
Organizational Chart — Manitoba Municipal Affairs

As at March 31, 1990



Preface

The Annual Report is organized in accordance with the departmental appropriation structure, thereby reflecting the authorized votes of the department as approved by the Legislature. Accordingly, the report contains information at the Main and Sub-Appropriation levels related to:

- the department's objectives
- the actual results achieved
- its financial performance
- any variances that occurred

The Report also provides a five year historical table showing departmental expenditures and staffing. In addition, expenditures and revenue variance explanations previously contained in the Public Accounts of Manitoba are now provided in the Annual Report.

Role and Mission Statement

The linkage connecting the province and Manitoba municipalities is simple and direct. Provincial legislation provides for the existence of municipal government and specifies the duties and powers assigned to it. Within the parameters of this legislation, municipal government is the ruler within its own house and a municipal council is a corporate and independent decision - making body.

The legislative relationship between municipal and provincial government has made it necessary and desirable that a formal liaison linkage be established between the two authorities. From 1886, with the introduction of The Municipal Act and the appointment of the first Municipal Commissioner until 1953, his office provided this function. By 1953 the increasing breadth of provincial and municipal government services suggested that a more comprehensive linkage was necessary and the Department of Municipal Affairs was created.

This spring, the department's mandate was broadened and expressed in a new title, the Department of Rural Development. It will be our goal to strive to enhance the future of Manitobans in partnership with local government and the community by promoting environmentally sound and sustainable economic development in rural Manitoba. To meet this goal, certain functional services have been realigned and the department enlarged by the transfer of The Manitoba Water Services Board, the Conservation Districts Authority, and the Regional Economic Development Branch.

Rural Development continues to function as the initiator of provincial-municipal government policies and as a regulator and monitor of certain municipal responsibilities. It continues to carry out certain line functions and provides liaison and municipal advocacy within the provincial system. Within this continuity, however, policies and programs confirm the conviction that economic growth is linked to the environment and that economic planning must consider environmental impacts.

Report of the Deputy Minister

This year, the Rural Economic Development section of Industry, Trade and Tourism, the Conservation Districts Authority from Natural Resources, and the Manitoba Water Services Board from Agriculture joined with Municipal Affairs to create a new Manitoba Department of Rural Development. Such an alignment enhances the delivery of integrated advisory and program services to municipalities, local economic and environmental organizations, and citizens in Rural Manitoba; and strengthens our ability to work with our rural partners in developing policies consistent with the goals of sustainable development.

Our efforts will continue to focus in large part on our municipal partners and the organizations which represent them. It is traditional, in a report of this nature, to commend the Union of Manitoba Municipalities, the Manitoba Association of Urban Municipalities and the Manitoba Municipal Administrators' Association for their continuing work on behalf of their citizens. New partners in rural Manitoba include the Regional Development Corporations, local business and entrepreneurial groups, and Conservation Districts and their operating boards. Work done by all of these bodies continues to strengthen Manitoba's economy and preserve its environment while improving the quality of life for Manitoba's rural residents.

Within the context of the new department, various new initiatives were introduced in 1989-90, while ongoing programs continued to be delivered to our client group.

A newly-created cabinet office in Brandon extends convenient access to government information and contact staff to citizens of western Manitoba.

The opening in August of 1989 of the Rural Development Institute which is affiliated with the University of Brandon, provides the department and its various client groups with an enhanced research capacity. The Institute's objective is to focus on rural Manitoba and identify the physical and cultural needs of rural residents; match academic resources to those needs; and provide the data necessary to make sound economic, social and environmental decisions.

Municipal elections were held in 1989 and I am pleased to have a forum through which to congratulate those dedicated men and women who let their names stand for public office. Commitment of this nature augers well for the democratic future of our province.

Training and education for elected and appointed officials continued to receive high priority. Pre-election seminars held in seven communities across Manitoba and conducted by staff from our Municipal Advisory and Financial Services Branch brought election officials up-to-date on procedures to be followed. A series of seminars, for newly elected municipal officials was held in Brandon for the first time and was well attended. Direct advisory services to municipal secretary-treasurers increased this year due to the number of newly appointed municipal administrators who required additional in-field assistance. I extend sincere congratulations to all municipal administrators who retired this past year for work well done, and welcome newcomers to the field.

A review of audited financial statements indicate Manitoba municipalities continued to maintain favourable financial positions.

The Minister of Finance continued to be the dominant purchaser of debentures. In 1989, however, purchases of a municipality's reserve fund and by credit unions increased substantially.

Tax imposition and tax collection statistics continued to show municipal efficiency in collecting taxes although there was a slight decrease in taxes collected this year over last. Interest rates dropped marginally to 11.13 percent on average.

Municipal grants and payments were up across the board as over 50 percent of our Rural Development budget continued to be paid directly to municipalities and other client groups.

A total reform of the assessment system neared completion this year with the approval of a new Municipal Assessment Act. References to assessment were deleted from The City of Winnipeg Act and reassigned to assessment legislation. A new Act and accompanying regulations were approved in the Manitoba Legislature early in 1990. Staff resources from the Assessment Branch were reassigned to assessment reform initiatives which included a general reassessment which took place in 1989 for the 1990 taxation year. Work is continuing on establishing practices that will guide assessment processes in both urban and rural Manitoba. To this end, a Commercial Building Assessment Manual was published in 1989. Phase I of the Manitoba Assessment Computer System (MACS) was completed in October of 1989. This phase allows for the electronic storage of all data on land and for the valuation of all land. With MACS now in place, the Branch has the ability to carry out a province-wide reassessment of all properties in the province every three years.

Our Research section continued to support the various policy issues surrounding assessment reform with a broad range of the tax impacts of the assessment reform program proposed for implementation in 1990 being analyzed.

Data Processing services offered through the branch continued to provide municipal governments with various computerized documents related to assessment and taxation, and water billings for certain urban municipalities. The Systems section calculated and maintained the total municipal assessment and continued to analyze assessment sales ratios for the Assessment Branch. As well, Systems staff continued to extend a small system development and maintenance expertise to other Branches within Rural Development.

Local commitment to sound land use planning continued this year with one municipality joining an existing district. This brings the total to 41 rural and 32 urban municipalities united into 26 districts, with interest in land use planning continuing to be expressed by other units of local government.

As part of the provincial review process, Provincial Planning staff prepared reports and recommendations regarding the impacts of specific projects for the Provincial Land Use Committee of Cabinet and for the Interdepartmental Planning Board staff. Staff represented the Minister before public hearings reviewing such projects.

This year, the Branch led the ongoing interdepartmental review of Conawapa, the North Central Hydro Transmission Corridor, and the Dow Corning plant. Sustainable development initiatives, a high priority with the province, were advanced with staff providing support to the Sustainable Development Committee of Cabinet and to the Sustainable Development Co-ordination Unit.

Rural economic development initiatives continued with community visioning processes taking place in several Manitoba centres. Work with Regional Development Corporations saw continuing growth in business opportunities for rural entrepreneurs and other business people. Through Manitoba's Economic Development Network, an association of RDC's and with support from Rural Development, "Community Statistics 1989", a compendium of statistical information about 78 urban centres was published and distributed. Liaison with federal Community Futures staff and programs continued to be extended to Business Development centres and Community Futures committees across the province. The Branch served as the lead agency on an interdepartmental committee in the privatization of Gimli Industrial Park. Efforts resulted in the transfer of municipal services to the R.M. of Gimli with projected saving to the province of $10 million over the next decade.

Water Services Board programs continued to extend sewer and water services to communities, individual farmers, and community groups. Because of drought conditions in much of Agro-Manitoba, special drought-proofing funding was approved by the Legislature and increased emergency water supply services were extended.

Efforts put forth by the councils of Lorne, Louise, Thompson and Pembina resulted in the establishment of the Pembina Valley Conservation District. Resource management plans were completed for the Alonsa and Turtle River districts. Because of drought conditions, water management programs and projects received top priority in all districts. Specific water programs included: an inventory of Turtle Rivers' water resources; a strategy for the Mellonville water management system in the Alonsa District; a study for the Cooks Creek District. Groundwater and water quality also received deserved attention with studies being carried out in the Cooks Creek and Turtle River districts. A re-evaluation of the Hansen Creek Project was undertaken, and as a result, project costs were reduced by one half million over previous estimates while local needs were met.

This year, Jack McNairnay, QC retired as Chairman of the Surface Rights Board. In his stead, Randy Smith of Brandon was appointed.

Municipal people across the province lost a strong advocate with the passing of Morris Hay, former director of our Municipal Services Branch. His presence will be sorely missed.

The new department of Rural Development looks forward to continuing activities and relationships with our municipal client groups and anticipates closer liaison and service extension to those sectors of rural Manitoba which became part of our mandate in 1989-90.

A detailed description of the various services Manitoba Rural Development extended in 1989-90 is contained in the following pages.

Administration and Finance

Provides the Minister and staff responsible to the portfolio with advice and administrative support, makes recommendations on human resource management, and directs administrative, financial, communications and library services. These services are provided by Executive Support, the Brandon Cabinet Office, Human Resource Management Services, Financial and Administrative Services, and a Rural Development Institute Grant.

Minister of Rural Development

Provides for the additional compensation to which a Member of the Legislative Assembly appointed to Executive Council is entitled.

Expenditures by Sub–Appropriation

1 (a) Minister's Salary	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
Salary	20,500	1.00	20,600	(100)	

Executive Support Services

The Office of the Deputy Minister continued to provide the Minister and his staff with information and advice regarding matters of municipal concern to ensure open and continuing lines of communication within the municipal/ provincial partnership, and between Rural Development and its diverse client groups. The Deputy's Office continued to carry out policy decisions initiated by the Minister and co-ordinated and set directions for the activities conducted by the department's Branches. Administrative assistance was extended to the Minister's office.

Expenditures by Sub–Appropriation

1 (b) Executive Support	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Salaries					
- Main Estimate		8.00	288,900		
- Main Estimate Authority from General Salary Increase XXV			10,800		
Total Salaries	281,400	8.00	299,700	(18,300)	
2 Other Expenditures	156,100		71,900	84,200	1
Total	437,500	8.00	371,600	65,900	

Explanation:

1. The actual expenditures were greater than the estimates due to the increased mandate and higher profile of the Department of Rural Development, as compared to the former Department of Municipal Affairs, which has placed increased demands on travel and other costs. Increased operating costs have also resulted directly from the addition of several new branches to the department for the 1989/90 fiscal year.

Brandon Cabinet Office

A West-Man Cabinet office was opened in 1989 to provide citizens in Western Manitoba with ready and convenient access to government. The store-front office provided information regarding government programs, and access to contact people in government department and agencies.

Expenditures by Sub-Appropriation

1 (c) Brandon Office	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Salaries					
- Main Estimate		2.00	70,000		
- Main Estimate Authority from General Salary Increase XXV			3,000		
Total Salaries	74,800	2.00	73,000	1,800	
2 Other Expenditures	37,300		30,000	7,300	
Total	112,100	2.00	103,000	9,100	

Human Resource Services

Branch objectives are to provide the department's Executive Board with appropriate recommendations on all aspects of human resource management, to work within Civil Service Commission legislation and policy guidelines, and to ensure that long and short term staffing requirements are met within Rural Development. These objectives are met through recruitment and selection, position classification, performance appraisal, labour relations, human resource planning, staff training and development, pay and benefits administration, staff counselling and occupational health and safety programs.

An orientation program continued to introduce new employees to provincial and departmental policies and procedures.

In 1989/90 the Department had four retirements and hired 20 employees with Civil Service status, 33 employees and eight summer students.

This year the Branch processed 12 department-originated reclassifications.

Pay equity policies saw Stage three increases implemented in September, 1989.

Programs offered through the Civil Service Commission provided 35 staff with development and training opportunities. In addition, two employees received department education assistance to enhance career opportunities.

The Affirmative Action Committee is comprised of a co-ordinator, three management and three M.G.E.A. members. Statistics are monitored on a continual basis and the department is progressing very close to target.

Rural Development Workplace Safety and Health Committee, which has as its members a facilitator, three management and five worker representatives, met three times as a body last year via teleconference. One other committee meeting saw seven representatives from regional offices join with the core body to discuss Workplace Safety and Health concerns.

The success of the Workplace Safety and Health Committee in raising employee awareness of workplace and travelling hazards is reflected by having only one Workers' Compensation report being filed in 1989-90.

Expenditures by Sub–Appropriation

1 (d) Human Resource Management	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Salaries					
- Main Estimate		4.00	139,100		
- Main Estimate Authority from General Salary Increase XXV			5,000		
Total Salaries	142,000	4.00	144,100	(2,100)	
2 Other Expenditures	9,700		11,400	(1,700)	
Total	151,700	4.00	155,500	(3,800)	

Financial and Administrative Services

The Branch provides central accounting, financial reporting, budget co-ordination, and selected administrative services to the department. Within the authority of the Financial Administration Act, central co-ordination is provided to ensure the financial integrity of management information systems. Branch staff are also responsible for interpreting directives and regulations of Manitoba Finance.

Specific activities in 1989-90 included:

- Processing 4,577 vouchers totalling $42.7M.
- Maintaining a revenue collection and deposit system totalling $7.1 M.
- Co-ordinating and consolidating the financial information necessary to prepare Detailed Estimates of Expenditure and Revenue, an Estimates Supplement, Annual Report, Public Accounts Variance Explanations and Quarterly Forecasts of Expenditures and Revenues.
- Maintaining a commitment accounting system.
- Preparing financial reports for department management.
- Administering the Fidelity Bonding program for municipal corporations(excluding City of Winnipeg).
- Administering Soldier's Taxation Relief By-laws with payments to eligible recipients through municipal offices in seven municipalities including the City of Winnipeg.
- Maintaining the Minister of Municipal Affairs' Trust Account with receipts and disbursements of approximately $6 M.
- Maintaining a Department Resource Centre and providing full reference service to staff, other government departments and the public.
- Co-ordinating, editing, writing and preparing various reports and public information materials.
- Co-ordinating the operation and maintenance of approximately 112 fleet vehicles.
- Organizing an annual banquet on behalf of the Province for the Union of Manitoba Municipalities and Manitoba Association of Urban Municipalities.
- Co-ordinating requests under Freedom of Information legislation. To year end, 9 requests were submitted to the Departmental Access Co-ordinator and processed.

Expenditures by Sub-Appropriation

1 (e) Financial and Administrative Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Salaries					
- Main Estimate		7.05	229,900		
- Main Estimate Authority from General Salary Increase XXV			7,900		
Total Salaries	232,100	7.05	237,800	(5,700)	
2 Other Expenditures	126,800		155,500	(28,700)	
Total	358,900	7.05	393,300	(34,400)	

Rural Development Institute

Affiliated with the University of Brandon, the Rural Development Institute opened in August 1989. Its research efforts focus on rural environments and small communities and its primary objective is to identify the physical and cultural needs of rural residents, match faculty and community expertise to those needs, and provide the factual basis necessary to make sound economic, social and environmental decisions.

Two Advisory Committees work with the Institute, an External and Internal Committee. Membership in the External Committee includes representatives from: Keystone Agricultural Producers, Manitoba Association of Urban Municipalities, Manitoba Chamber of Commerce, Manitoba Community Newspapers Association, Manitoba Agriculture, Manitoba Natural Resources, Manitoba Farm Womens' Institute, National Farmers Union, Union of Manitoba Municipalities and the University of Brandon's Board of Governors. The External Committee met several times last year.

Expenditures by Sub-Appropriation

1 (f) Rural Development Institute	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
Grant	100,000		100,000	—	

The Municipal Board

The Municipal Board is a quasi-judicial body whose members are appointed by the province. Board members include a chairperson and several part-time members. The Board hears applications, appeals and makes reports and recommendations relating to local government matters.

Because of its quasi-judicial nature, the Board operates independently and is attached to the Department for administrative reasons only.

The Board prepares a separate annual report on a calendar year basis.

Expenditures by Sub-Appropriation

2 Municipal Board	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries					
- Main Estimate		6.00	301,900		
- Main Estimate Authority from General Salary Increase XXV			5,500		
Total Salaries	297,800	6.00	307,400	(9,600)	
(b) Other Expenditures	60,500		51,900	8,600	1
Total	358,300	6.00	359,300	(1,000)	

Explanation:

1. The 1989/90 expenditures were greater than the estimates due to an increase in the number of rural board members, which resulted in increased travel related costs.

Municipal Advisory and Financial Services

The Branch provides municipal corporations with consultative and advisory services through regular field calls to municipal offices, and through its central administrative structure. The Branch's financial responsibilities extend to developing and maintaining policies and legislation necessary to ensure the financial stability and viability of Manitoba's municipalities in the areas of accounting and auditing, capital borrowing and administration. In addition, the Branch provides financial assistance through the administration of various grants to municipalities.

In 1989-90 major programs administered by the Branch were as follows:

Advisory Services

Branch staff extended consultative and advisory services in all areas of municipal administration to elected and appointed municipal officials and to Local Government Districts (L.G.D.), their Resident Administrators, and their elected councils. The goal of the L.G.D. program is for these provincially supervised local governments to assume full and independent municipal status.

Branch staff investigated and reported on 100 matters of public concern on behalf of the Minister or Deputy Minister.

Municipal Services Officers provided direct consultative services to municipalities through field calls and meetings as follows.

FIELD CALLS AND MEETINGS	1988-89	1989-90	TOTAL CLIENT SERVED
Rural Municipalities	193	319	105
Towns	67	104	35
Villages	109	102	39
Local Government Districts	69	62	17
Cities	14	13	4
TOTAL	452	600*	200 Municipalities

* An increase in in-field calls can be directly attributed to the substantial number of new secretary-treasurers appointed this year who required advisory services.

Education and Training

In 1989-90, the Branch sponsored and co-ordinated training and education programs for elected and appointed municipal officials and municipal office staff as described below:

EDUCATION AND TRAINING PROGRAMS	Total Participants 1988-90	
Certificate Course in Municipal Administration* (Four year program co-sponsored by Rural Development, the Manitoba Municipal Administrators' Association, and Continuing Education, University of Manitoba)	Enrolment Graduates	130 26
1989-90 subject area: Organizational Behaviour		
Municipal Officials Seminar (Co-sponsored by the Branch, the U.M.M. and the M.A.U.M., Brandon)*		450
Seminars for newly elected Municipal Officials - Brandon* (4 - 2 day seminars)		300
Election seminars: various locations (Costs born by the Department)		401

* Participant costs for Education and Training programs were fully recovered.

The annual directory, "Municipal Officials 1990" was distributed without charge to municipalities, Local Government Districts, departments of government, Crown Corporations and others early this year. In addition, several hundred were sold to the public. The directory is updated throughout the year.

Branch staff maintained and expanded the "Municipal Administration Policy and Procedure Manual" with new directives for use by Manitoba's municipal administrators.

Liaison

Municipal Advisory and Financial Services staff continued to serve a liaison function between municipal governments and other departments/levels of government. In this capacity, Branch staff served on the following inter-intragovernmental committees:

- Advisory Committee for the Certificate Course in Municipal Administration
- Advisory Committee on Fire Protection
- Advisory Committee on Policing
- Data Users Planning Committee
- Federal-Provincial Committee on Local Government Information Development
- Highway Names Advisory Committee
- Interdepartmental Committee on Churchill
- Interdepartmental Committee on Lynn Lake
- Interdepartmental Committee for the Mobility Disadvantaged
- Interdepartmental Dangerous Goods Committee
- M.M.A.A. Forms Committee
- M.M.A.A. Professional Development Committee
- Manitoba Water Services Board
- Portage Advisory Committee
- Rail Line Abandonment Committee

Accounting and Auditing

Branch staff met regularly with municipal officials and administrators and provided assistance in all areas of financial management and municipal accounting. The municipal audit program, co-ordinated by the Branch is conducted by 23 auditing firms assigned by the Minister of Rural Development to all municipalities excluding the Cities of Brandon and Winnipeg. Assignments are normally held for five years, then rotated. An attempt is made to avoid assigning auditors to municipalities in which their practice is located.

The Branch annually publishes, "Statistical Information: Municipalities of Manitoba", a compendium of audited financial information.

Audited financial statements indicate Manitoba municipalities continued to maintain favourable financial positions as indicated by the following figures:

Municipal Revenues

Municipal Revenues by major source for 1989 with comparative figures for 1988 were as follows:

Other Revenue* ($000)		General Municipal tax ($000)		Grants in lieu of taxes ($000)		Provincial Municipal Tax Sharing ($000)		School Tax ($000)		Total Clients Served	
1988	1989	1988	1989	1988	1989	1988	1989	1988	1989		
16,669.2	19,796.0	53,741.1	54,968.3	4,851.9	5,130.9	8,056.0	8,246.2	78,066.0	81,689.9	105	R.M.'s
6,015.9	6,188.4	4,765.9	5,102.6	7,166.5	6,855.6	1,205.7	1,233.2	6,935.5	7,257.4	17	L.G.D.'s
2,288.7	2,411.9	7,489.2	7,811.9	732.4	784.8	1,182.8	1,208.3	6,053.2	6,351.9	39	Villages
11,847.0	12,277.5	33,526.9	34,963.9	6,047.6	6,401.4	4,220.4	4,310.2	28,858.5	30,350.9	35	Towns
10,733.5	12,439.5	26,762.4	27,913.7	15,548.9	16,428.2	3,411.9	3,482.0	22,109.1	23,328.4	4	Cities
166,957.9	163,963.1	303,475.4	332,368.8	59,874.5	61,790.6	27,232.0	27,792.0	231,307.9	246,936.4		Winnipeg
214,542.2	217,076.4	429,760.9	463,129.2	94,221.8	97,391.5	45,308.8	46,271.9	373,330.2	395,914.9	201	Total
% Change	1.18%		7.76%		3.36%		2.13%		6.05%		

*Licences, permits, fines, sales of goods, rents, return on investments, Local Government Support Grants

Municipal Expenditures

Municipal Expenditures for 1989 with comparative figures for 1988 were as follows:

General Government ($000)		Protection ($000)		Transportation ($000)		Recreation ($000)		Debt Charges ($000)		Other* ($000)		Education ($000)		Total Clients Served	
1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989		
15,707.7	17,024.7	4,145.9	4,104.3	32,407.2	34,601.5	2,723.2	2,852.5	1,274.7	1,256.1	20,381.7	22,367.1	80,313.7	84,250.6	105	R.M.'s
4,504.0	5,077.4	1,150.3	1371.0	5,085.4	5,177.1	1,347.1	1,231.4	82.0	118.7	3,941.2	3,625.9	10,031.6	10,417.8	17	L.G.D.'s
2,091.1	2,886.5	1,478.4	1,549.1	2,936.9	3,061.7	681.0	811.7	398.6	457.7	2,822.0	2,767.3	6,390.1	6,691.8	39	Villages
7,961.0	8,630.7	8,307.0	9,217.3	9,387.8	10,673.2	6,124.7	6,097.4	4,371.8	4,490.6	15,229.7	17,051.0	31,761.3	33,439.2	35	Towns
7,173.5	7,701.6	11,958.4	12,391.5	9,675.7	9,487.2	6,625.4	7,192.1	4,378.2	4,427.5	11,198.3	12,246.9	28,018.4	29,311.0	4	Cities
69,689.6	71,305.5	119,974.8	126,871.7	95,237.2	102,167.5	70,895.4	74,808.6	69,915.4	78,981.4	96,194.7	100,273.5	258,968.9	275,332.4		Winnipeg
107,726.9	112,626.4	147,014.8	155,504.9	154,730.2	165,168.2	88,401.8	92.993.7	80,420.7	89,732.0	149,767.6	158,331.7	415,484.5	439,442.8	201	Total
% Change	4.55%		5.77%		6.75%		5.19%		11.58%		5.72%		5.77%		

*Public Health, Social Welfare, Environmental Planning, Economic Development.

Reserve Funds

The total funded reserves held by all municipalities including the City of Winnipeg ammounted to $226,442.1 at December 31, 1989. This amount represents an increase of $23,646.1 over the amount held in reserve funds at the end of 1988.

($000)

General		Machinery Replacement		Utility Replacement		Other* Replacement		Other**		Total Clients Served	
1988	1989	1988	1989	1988	1989	1988	1989	1988	1989		
9,841.1	10,381.4	11,673.0	12,839.8	411.3	673.6	743.6	879.1	8,042.1	11,503.8	105	R.M.'s
2,859.4	2,940.7	629.8	585.5	95.1	80.6	242.2	185.7	403.5	496.5	17	L.G.D.'s
1,565.5	1,694.9	635.0	732.0	427.5	559.3	65.5	62.2	879.5	994.0	39	Villages
7,258.1	6,499.3	4,179.0	4,185.0	4,470.9	5,350.9	7.6	46.5	4,914.6	4,848.3	35	Towns
2,663	3,031.6	2,194.5	2,074.7	471.5	217.0	—	—	5,529.4	6,299.9	4	Cities
80,873.9	89,550.1	15,745.7	19,004.7	—	—	—	—	35,973.0	40,725.0		Winnipeg
105,061.7	114,098.0	35,057.0	39,421.7	5,876.3	6,881.4	1,058.9	1,173.5	55,742.1	64,867.5	201	Total

* Other Replacement: Replacement/building repair, office, bridges, fire equipment.

** Other: Investment, capital works, park and recreation facilities, highway and sidewalk improvements and construction, drainage and flood protection, administration buildings, firehalls, garage, cemetery, airport, hospital deficit, ambulance, centennial celebrations.

Capital Borrowing

A comparison of 1989 with 1988 authorized borrowing is summarized, as follows:

	1988	1989	INCREASE (DECREASE)
NO. OF APPLICATIONS	83	81	(2.4%)
AMOUNT OF BORROWING AUTHORIZED	$28,294,414.21	$9,662,149.93	(66.0%)
AMOUNT OF DEBENTURES ISSUED	$ 5,859,577.62	$9,559,382.93	63.14%

The above figures do not include the City of Winnipeg borrowing; this borrowing is not subject to Board approval.

The significant reduction in the amount of 1989 authorized borrowing as compared to 1988 is due to the 1988 approval of borrowing for unusually large projects in Brandon, Flin Flon and Winkler. In 1989 authorization is more in line with the years prior to 1988.

The manner of marketing the municipal debentures issued in 1989 as compared to 1988 is set out, as follows:

	1988	1989
FISCAL AGENT SALES	$ —	$ —
LOCAL MUNICIPAL SALES:		
— Credit Unions	23,933.86	687,500.00
— Public	897,947.00	239,000.00
MUNICIPAL RESERVE FUNDS	650,339.34	1,914,307.17
MINISTER OF FINANCE	4,287,357.43	6,718,575.76
	$5,859,577.63	$9,559,382.93

Even though the amount of borrowing authorized decreased in 1989, the amount of debentures issued increased as projects approved in 1988 were completed. The Minister of Finance continues to be the dominant purchaser of debentures. It is also noted that in 1989 purchases from a municipality's reserve fund and by credit unions have increased substantially, and that purchases by the public have decreased. This is not, at this time, considered to be indicative of any trend.

The following represents a 1989 to 1988 comparison of the average interest rate, weighted according to amount of principal involved, for each class of purchaser:

PURCHASER	WEIGHTED AVERAGE INTEREST RATE 1988	1989
LOCAL MUNICIPAL SALES:		
- CREDIT UNIONS	11.50%	11.22%
- PUBLIC	11.29%	11.25%
MUNICIPAL RESERVE FUNDS	11.18%	11.20%
MINISTER OF FINANCE	11.25%	11.10%
	11.25%	11.13%

Tax Imposition – Tax Collection

Municipal tax imposition and collection indicate the ability and/or willingness of Manitoba's property tax payers to meet municipal levies promptly and also indicate municipal efficiency in collecting taxes. Data collected show an overall decrease in tax collections to 98.72% as compared to 99.99% in 1988. Tax penalties are calculated at a rate not exceeding 1 1/4% per month as fixed by by-law.

The following comparative summary illustrates increases in tax imposition and collection for 1986 to 1989.

Increase in Tax Imposition

1987 over 1986 (%)	1988 over 1987 (%)	1989 over 1988 Amount ($)	(%)	Total Clients Served
Actual	Actual	Estimate		
4.45	5.89	3,949,960	2.86	105 R.M.'s
5.41	5.62	603,385	4.88	17 L.G.D.'s
5.30	5.17	458,252	3.24	39 Villages
5.15	6.62	7,304,283	11.30	35 Towns
6.64	5.72	34,394,106	5.79	5 Cities
6.11		46,709,986	5.67	201 Municipalities

Increase in Tax Collection

1987 over 1986 (%)	1988 over 1987 (%)	1989 over 1988 Amount ($)	(%)	Total Clients Served
Actual	Actual	Estimate		
6.36	5.10	3,993,307	2.89	105 R.M.'s
6.79	6.06	443,103	3.53	17 L.G.D.'s
4.22	4.76	538,666	3.85	39 Villages
5.44	6.08	5,725,156	8.89	35 Towns
5.88	5.44	24,995,516	4.21	5 Cities
5.91	5.43	35,695,748	4.34	201 Municipalities

Catalogue of Grants Available to Municipalities

The Catalogue lists grants from all provincial government departments and some agencies available to municipalities. Close to 1,000 catalogues were distributed to municipalities and interested parties without charge.

Data Processing*

Water Billings

Computerized water billings were prepared for 55 units in 46 towns, villages, and rural municipalities.

* Data processing equipment is housed in the Research and Systems Branch.

Tax Assistance Programs

Applications for 241,302 Resident Homeowner's *Tax Assistance Program were data processed while* another 3,378 were prepared manually. Funds in excess of $79.0 million were paid to municipalities by the Department of Finance. There were 47,723 Pensioners School Tax Assistance applications processed automatically while 10,422 were prepared manually. Approximately $9.4 million was paid to municipalities by the Department of Finance.

Applications for both programs are processed by the Branch for all Manitoba municipalities, including the City of Winnipeg and unorganized communities in Northern Manitoba.

Expenditures by Sub-Appropriation

3 Municipal Advisory and Financial Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries	1,082,800	28.16	1,259,300	(176,500)	
(b) Other Expenditures	157,100		168,400	(11,300)	
Total	1,239,900	28.16	1,427,700	(187,800)	

Municipal Grants and Payments

Grants and payments were administered through the following programs:

Grants-In-Lieu of Taxes

Grants-in-lieu of taxes were paid to municipal corporations to offset the costs of servicing provincially owned properties which benefit from municipally owned services.

TOTAL CLIENTS SERVED	TAX NOTICES RECEIVED		TAX NOTICES PAID		GRANTS-IN-LIEU PAID	
	1988-89	1989-90	1988-89	1989-90	1988-89	1989-90
105 Rural Municipalities	2,975	2,952	2,871	2,888	$809,596	$839,410
39 Villages	61	67	61	68	49,169	49,655
35 Towns	189	184	187	184	1,489,946	1,538,682
17 L.G.D.'S	2,584	2,597	2,563	2,596	640,273	615,276
5 Cities	225	258	225	258	23,515,036	24,430,034
Northern Affairs Communities	1,594	1,616	1,594	1,591	169,539	173,504
Agricultural Refunds	—		—		(20,980)	(20,485)
201 Municipalities & Northern Communities	7,628	7,674	7,501	7,585	$26,652,579	$27,626,076

Provincial grants equal school and municipal taxes on all provincial properties except those exempted. (Unpatented land, public highways, road allowances, provincial waterways, land in provincial parks or recreation areas, community pastures, and land leased to private individuals or companies).

Expenditures by Sub-Appropriation

3 Municipal Advisory and Financial Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(c) Grants to Municipalities in Lieu of Taxes	27,626,100	—	28,027,500	(401,400)	

Urban Transit Grants

Urban Transit Grants were paid to urban centres other than the City of Winnipeg and equalled 50% of actual operating deficits.

Advances were based upon the grant paid in the previous year with adjustment to the actual operating deficit made following the submission of the Cities' audited financial statements. Increases were capped at four percent.

Total Clients Served	Ridership 1988-90	Ridership 1989-90	Urban Grants Paid 1988-90	Urban Grants Paid 1989-90
City of Brandon Regular Transit	1,510,064	1,207,703	$530,026	$526,974
City of Brandon Handi Transit	10,627	10,597	41,918	56,069
City of Flin Flon*	122,300	122,218	46,631	51,9000
City of Thompson*	138,774	157,538	88,400	91,936
	1,781,765	1,498,056	$706,975	$726,879

*Flin Flon and Thompson leased transit vehicles from private carriers.

Expenditures by Sub-Appropriation

3 Municipal Advisory and Financial Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(d) Urban Transit Grants	726,900	—	735,300	(8,400)	

Centennial Grants

Grants of $2.00 per capita and based on 1986 Census Canada population figures were paid for approved projects to municipalities to assist with centennial celebrations.

MUNICIPALITY	1989-90 CENTENNIAL GRANTS PAID
Oakland, R.M.	$2,078
Wawanesa, Village	1,004
Winnipeg Beach, Town	1,096
	$4,178

In 1988-89, no centennial celebrations were held.

Expenditures by Sub-Appropriation

3 Municipal Advisory and Financial Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(e) Centennial Grants	4,200		17,300	(13,100)	

Police Service Grants

Grants assisted municipalities with populations over 750 with policing costs. Local governments which incurred police costs above the provincial average received grants equivalent to 100% of excess costs, to a maximum of $100,000.

Average costs were expressed in terms of a mill rate based on total municipal assessment.

Actual audited costs were used for calculations so that grants paid in 1988 were based on 1989 municipal operations. A levy of 1/2 mill is paid by all rural municipalities and unincorporated urban centres of under 750 population to raise funds to help offset the costs of the grants.

Total Clients Served Paid	Police Services Grants			
	1988-89	1989-90	1988-89	1989-90
Rural Municipalities	-	-	-	-
Villages	8	11	$ 76,316	$ 127,656
Towns	9	10	321,012	305,806
Cities	2	2	161,159	180,514
L.G.D.'S	1	1	17,552	33,917
Municipalities	20	24	$576,039	$647,893

Expenditures by Sub-Appropriation

3 Municipal Advisory and Financial Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(f) Police Services Grants	647,900		657,200	(9,300)	

Local Government General Support Grants

Local Government General Support Grants provided municipalities with some unconditional assistance. Applications were forwarded to and completed by all eligible municipalities and unincorporated village districts.

Grant entitlement was based on 2.35% of 1988 net payroll costs, or total earnings before deductions. (This includes wages and salaries, taxable benefits and allowances, and commissions and bonuses).

Total Clients Served	Local Government Support Grants Paid	
	1988-89	1989-90
105 Rural Municipalities	$ 399,200	$ 416,098
39 Villages	64,136	68,833
35 Towns	336,290	354,149
17 Local Government Districts	108,111	113,527
4 Cities	526,956	553,552
Unincorporated Village Districts	* 2,620	* 2,802
200 Municipalities	$1,437,313	$1,508,961

* In 1988-89, 6 UVD'S received Support Grants. In 1989-90, 7 UVD'S received assistance.

Expenditures by Sub-Appropriation

3 Municipal Advisory and Financial Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(g) General Support Grants	1,509,000		1,502,000	7,000	

Provincial–Municipal Tax Sharing Payments

Provincial-Municipal Tax Sharing payments allocated 2.2 percent of personal income tax and 1 percent of corporate taxable income to municipalities under provisions of the Provincial-Municipal Tax Sharing Act.

Total Clients Served	Total Provincial-Municipal Tax Sharing Payments	
	1988-89	1989-90
105 Rural Municipalities	$ 8,056,061	$ 8,246,158
39 Villages	1,182,836	1,208,259
35 Towns	4,220,378	4,310,181
17 Local Government Districts	1,205,708	1,233,175
5 Cities	30,643,905	31,274,029
Northern Affairs	1,754,144	1,835,469
201 Municipalities & Northern Communities	$47,063,032	$48,107,271

Payments were based on 1986 census population data. A per capita payment of $40.65 plus an urban services supplement of $4.50 for centres up to 5,000 population and $6.50 per capita for centres whose population exceeds 5,000 was distributed in July of 1989.

Although these payments are administered by Municipal Advisory and Financial Services staff, they are not reflected in the estimates of the Department.

Municipal Assessment

The Branch provides full assessment services to all local governments in Manitoba except the City of Winnipeg and certain unorganized territories in Northern Manitoba. Services are directed by the Provincial Municipal Assessor in the Winnipeg Head Office, and carried out by staff working from ten District Offices across the province. Costs of the municipal portion of the assessment program are recovered from municipal sources. Other costs associated with services provided to the province are borne by the province.

Assessment services are extended through the following major programs.

Assessment Maintenance

The maintenance program annually revises and updates assessment records to reflect all ownership and address changes and any changes to land or building assessments.

In the 1989 calendar year, 77,905 changes of this nature were made. This represents a decrease of 19.2% from the previous year. This decrease is due to the fact that the implementation of Assessment Reform took priority over maintenance work in 1989.

In 1989 also, over 31,700 Land Titles notifications were recorded and close to 4,500 leases and permits from the Lands Branch and Parks Branch were processed.

Properties added to assessment and taxation rolls under provisions described in The Municipal Assessment Act are shown below.

Number of Properties Added

Real Property	Business Property	Personal Property	1988 Total	1989 Total	Difference
6125	824	84	8269	7033	- 15%

Value of Properties Added

Real Property	Business Property	Personal Property	1988 Total	1989 Total	Difference
28,907,040	1,810,510	3,635,600	34,643,367	34,353,150	- .84%

Boards of Revision were not held in 1989 to hear complaints against the 1990 assessment because assessment notices, which are normally sent out in the fall prior to the tax year, were not mailed until May of 1990. Boards of Revision for the 1990 assessment will commence in September of 1990.

General Reassessment (1989)

The level of value at which property is assessed has remained essentially unchanged since the late 1970's when the Branch was assessing at 20 percent of 1975 market value. This percentage figure and base year have been used to ensure that municipal assessments are equitably related regardless of the year in which general reassessments are carried out.

Reassessment program

Those staff resources normally assigned to reassessment duties have, in the last year, been dedicated to the Assessment Reform initiative. The reassessment program was virtually suspended until such time as the Manitoba Assessment Computer System (MACS) was put in place. With the aid of MACS the Assessment Branch now has the ability to carry out a province-wide reassessment of all municipalities every third year. This general reassessment took place in 1989 for the 1990 tax year.

Total Taxable Assessment

In 1989, the total taxable assessment for the province, excluding the City of Winnipeg was:

Total Clients Served		Total Taxable ($000)	Roll Entries
105 Rural Municipalities	Real Property	868,215	219,487
	Business Property	11,893	3,888
	Personal Property	15,033	2,426
35 Towns	Real Property	304,030	45,215
	Business Property	18,315	4,191
	Personal Property	9,449	74
39 Villages	Real Property	69,181	16,939
	Business Property	2,747	1,266
	Personal Property	480	21
4 Cities	Real Property	234,072	24,587
	Business Property	17,259	2,333
	Personal Property	2,745	39
17 Local Government Districts	Real Property	73,690	45,261
	Business Property	1,677	732
	Personal Property	2,188	36
Northern Manitoba	Real Property	8,159	9,442
	Business Property	313	159
	Personal Property	38	7
200 Municipalities & Unorganized Northern Communities		$1,639,484	376,103

Equalized Assessment

Equalized assessment figures for the province including the City of Winnipeg follow.

	1989	1990	Total Clients Served
Rural Municipalities	$791,102,050	$4,051,298,420	105
Towns	294,393,100	1,331,597,640	45
Villages	62,037,080	290,466,050	39
Cities (except Winnipeg)	232,908,040	1,102,004,370	4
Local Government Districts	81,533,950	362,255,120	17
Northern Manitoba	15,213,860	41,517,320	
Winnipeg	2,137,440,050	10,249,905,820	1
Total	$3,614,628,140	$17,429,014,740	201 Municipalities & unorganized Northern Communities

The 1989 equalized represents 20% of 1975 values whereas 1990 represents the 1985 portioned market value. "Equalized" assessment has been renamed to "Total Municipal Assessment" because the entire province is now assessed at the same level of value and there is no longer a need to "equalize" assessments between municipalities.

Balanced Assessment

In 1989 the balanced assessment was calculated under provisions of The Public Schools Act and was provided to the Department of Education. It formed the basis for the calculation of school levies.

For 1990, the balanced assessment was calculated under provisions of The Municipal Assessment Act and, although serving the same purpose as was the case in 1989, has been renamed "Total School Assessment".

Assessment Reform

Progress continued in implementing the Assessment Report program announced in 1984. Several of the component parts of the program have been completed.

Assessment Rolls – A complete record of all Manitoba property had been added to assessment rolls by the end of 1985. Prior to this date, farm buildings had been added to rolls only as time and manpower permitted.

Branch Reorganization – Management restructuring was consolidated in 1985 with staff specialists in Land and Property Classifications, Property Improvements, and Systems and Education being appointed.

Computerization – Phase I of the Manitoba Assessment Computer System (MACS) was completed in October of 1989. This phase allows for the electronic storage of all data on land and for the valuation of all land.

A MACS Implementation Plan has been prepared that will outline in detail all of the Assessment Branch responsibilities and functions that will be required in order to use and maintain the MACS system.

This Plan outlines and schedules all of the activities leading up to the implementation of MACS Phase I in the fall of 1989.

Uniform Procedures – Work is continuing on establishing and entrenching practices that will guide the actual conduct of the assessment process in both urban and rural Manitoba, including the City of Winnipeg. Last year, a Residential Assessment Manual and a Farm Building Assessment Manual were introduced for eventual use province-wide. A Commercial Assessment Manual was published in 1989.

Education and Training – One portion of the computer Implementation Plan will detail all of the activity involved in the preparation of User Procedural Manuals and the training program for staff on the MACS system.

The Branch in conjunction with the City Assessor is still analyzing the requirements of a new Assessor Education and Training Program that will eventually replace the outdated existing course material.

Public Information – Updates to the municipal organizations and various interest groups were provided on the progress of the Assessment Reform initiative. Information kits on Bill 79, The Municipal Assessment and Consequential Amendments Act were prepared and distributed to municipal officials, interest groups and the media.

Expenditures by Sub-Appropriation

4 Municipal Assessments	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries	4,691,000	130.00	4,645,700	45,300	
(b) Other Expenditures	628,500		896,000	(267,500)	1
Total	5,319,500	130.00	5,541,700	(222,200)	

Explanation:

1. Actual expenditures were less than the estimates due to: the Assessment Reform Communication's strategy was less extensive than originally planned; travel expenditures were lower than expected as assessors were assigned to assessment reform duties rather than travelling to do field work; fewer items of furniture were needed to accommodate systems development; hotel costs were lower due to reduced rates and use of alternate arrangements;building improvement costs were less than expected.

Research and Systems

The Branch provides research, data processing, and systems development services to the department and, in some instances, to municipalities and other departments of government. Where practical, data is also provided to other governments and the private sector at a cost.

Research

Primary objectives are to provide background research, policy evaluation, impact analysis and comprehensive recommendations on priority issues of a provincial/municipal nature to the Deputy Minister, the Department's Executive and related Committees of Cabinet in support of effective program and policy formulation, decision-making and implementation.

In 1989-90, resources were fully committed to the research and analysis needed to support the various policy issues surrounding the assessment reform initiative. As a service to the Assessment Branch, and to provide the Assessment Reform Committee of Cabinet with background data and analysis to guide decision-making in such a large and complex initiative, a research program was undertaken to measure the tax impacts on the assessment reform program proposed for implementation in 1990.

In addition to analyzing the impacts of bringing all properties to a current level of value for assessment and taxation purposes, a review of existing exemption provisions and a modelling of the tax impact of any proposed changes was undertaken. This included the review of assessment policies regarding farm residences and outbuildings; the impact of removing the one-third building exemption; the tax treatment of a number of miscellaneous property types currently either receiving or requesting some sort of exemption from property taxation; and a preliminary examination of the alternate methods of assessing farmland. A review of the method of assessing railway and pipeline property was also undertaken.

A modelling study of the tax redistributional implications of the assessment reform package including the establishment of portioning for each of the nine property classes was completed. The highlights of this work were distributed to municipal councils for their information and decision-making.

Expenditures by Sub-Appropriation

5 (a) Research	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Salaries	150,100	4.00	169,300	(19,200)	
2 Other Expenditures	9,400		9,500	(100)	
Total	159,500	4.00	178,800	(19,300)	

Systems

Main goals of the Systems Services Section are to provide a complete data processing service, including systems analysis, development, implementation and maintenance to other branches within the department and to make data processing services and/or the information generated by this service available to municipalities and, in some instances, to other departments of government, other governments and individual businesses at a cost, where required and where practical to do so.

In 1989-90, the Section continued to produce annual property assessment rolls, assessment notices, tax collection rolls, and tax statements for 200 municipal corporations and communities under Northern Affairs jurisdiction.

It updated and maintained equalized assessments, produced Board of Revision notices, and analyzed assessment-sales ratio to support the assessment process.

The data processing section maintained and updated owner-occupied, single family dwelling units eligible for Resident Homeowners Tax Assistance and processed Pensioners School Tax Assistance (55-Plus) applications.

The section also provided the data processing service required to support the water billing program for 44 municipalities.

As well, a small systems development expertise was extended to other branches in the development of new computerized information systems for reporting and evaluation purposes. The necessary ongoing data processing services to support these systems was extended as well.

Computerization continues to be viewed as a critical element in the provincial assessment reform program.

The design and development of Phase I of the Manitoba Assessment Computer System (MACS) was completed in October 1989. Because of the magnitude of the program a phasing strategy had been adopted.

Phase I is part of the first step in achieving assessment reform, and includes a facility for computer generated land assessments and summary assessments on all property types. Phase II, which is scheduled to begin next year, will see the computerization of building assessments for implementation in a subsequent province-wide reassessment.

Expenditures by Sub-Appropriation

5 (b) Systems Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Salaries	627,200	19.42	657,300	(30,100)	
2 Other Expenditures	2,513,000		3,520,800	(1,007,800)	1
Total	3,140,200	19.42	4,178,100	(1,037,900)	

Explanation:

1. Actual expenditures were 28.6% less than the Voted Authority for the following reasons:

a. The start of Phase II development of the Manitoba Assessment Computerization System was deferred from the projected October 1st start date implicit in the estimates, resulting in less operating expenses (professional services) this fiscal year.

b. The decrease can be attributed to the phased implementation of municipalities into the Manitoba Assessment Computerization System. In addition, there was less machine utilization than anticipated because production of assessment notices and rolls were deferred to coincide with the production and mailing of tax statements.

Municipal Planning

The Province's commitment to sound land use planning is demonstrated by the support provided to municipalities through The Municipal Planning Branch. The Branch provides planning advisory service to Planning District Boards and member municipal councils on a continuing basis, to individual municipalities on a project basis, and to northern communities at the request of the Minister of Northern Affairs. Professional planning service in reviewing and processing applications to subdivide land is extended to all municipal councils, Planning District Boards, and the Province. Planning assistance is provided to other government departments in planning matters. The Branch also assists municipalities by informing and educating councils and municipal officials on land use planning programs.

In the 1989-90 fiscal year, planning service was delivered by planners and support staff located in eight regional field offices to encourage and support planning at the local level. The staff complement of 70 personnel is 75% decentralized. A small Winnipeg based resource team and head office provide support to the field offices.

The following illustrates the major projects in progress and completed in 1989-90 under Planning District and Municipal programs.

PROGRAM ACTIVITY OUTPUT	ACTUAL 1988-89	ESTIMATED 1989-90	ACTUAL 1989-90
MAJOR PROJECTS Development Plans Basic Planning Statements Zoning By-laws	72	70	89
OTHER PROJECTS Special Projects Zoning Amendments	365	370	335
SUBDIVISION APPROVAL Number of Applications	913	900	969
MAPPING New Base and Ownership Maps Project Maps	466	565	385
ROAD OPENING/CLOSING BY-LAWS	79	90	101

Municipal Planning Branch services are extended through the following major programs.

Planning Advisory Service to Planning Districts

The concept of District Planning was introduced in The Planning Act of 1976. Planning Districts are corporate bodies established for the purpose of managing land use and development over a large area or district. They are comprised of two or more municipalities that wish to co-operate and that constitute logical areas for planning. Each member municipal council appoints representatives to sit on the Planning District Board, which employs administrative and inspection staff and is supported by staff from the Municipal Planning Branch. There were no new planning districts formed this past year, however with the R.M. of West St. Paul joining the Selkirk and Area Planning District there are now 73 municipalities, 32 urban and 41 rural, participating in 26 Planning Districts.

One objective of district planning is to transfer land use planning authority from the province to local government. The basis for protecting the provincial interest in the preparation of district development plans are the Provincial Land Use Policies. When district land use policies have been reviewed at the local and provincial levels and approved by Order-in-Council they replace the more general provincial policies thus increasing local autonomy.

The district planning process begins with research to provide a comprehensive information base composed of economic, social and physical characteristics and referred to as background studies. From these background studies, land use policies in the form of a development plan are prepared. To date 19 districts involving 58 municipalities have adopted development plans while the other seven Districts are in the process of preparing a plan.

Once a district development plan is approved it is implemented through zoning and building by-laws adopted by member municipalities. There are now 46 municipalities in districts that have adopted zoning by-laws and 21 more are preparing zoning by-laws. Only 17 municipalities in districts have a planning scheme or old form of control still in effect.

Another instance of transferring authority to local government can occur after a Planning District has formed, adopted a development plan, and a zoning by-law. The Minister may then delegate the authority to approve subdivisions to the District Board. To date subdivision approving authority has been delegated to five Planning District Boards and one District, Selkirk, has taken on responsibility for processing subdivision applications. To encourage the formation of Planning Districts and the adoption of land use policy plans the Province has developed a program to share the costs of planning with participating municipalities.

In 1989, the initial district planning cost of preparing a development plan was shared on a 50/50 basis to a maximum district share of $1 per $1,000 of equalized assessment over the entire district with any shortfall being funded by the Province through cash grants and/or staff time.

The second part of the program is support to the planning district through the provision of continuing Planning Advisory Service to the District Board and member municipal Councils. In 1989-90, continuing Planning Advisory Service to the planning districts accounted for approximately 10% of staff resources.

The status of planning programs in planning districts is shown on the following pages.

Status of Planning Programs in Planning Districts

District	Planning Scheme	Basic Planning Statement		Development Plan		Zoning By-Law	
	In Effect	Being Prepared	In Effect	Being Prepared	In Effect	Being Prepared	In Effect
Cypress							
Carberry, Town					•		
Glenboro, Village							•
North Cypress, R.M.							•
South Cypress, R.M.							•
							•
Selkirk and District							
Selkirk, Town					•		
St. Andrews, R.M.							•
St. Clements, R.M.							•
West St. Paul, R.M.	•					•	•
Brokenhead River							
Beausejour, Town					•		
Garson, Village							•
Brokenhead, R.M.							•
							•
M.S.T.W							
Morden, Town					•		
Winkler, Town							•
Stanley, R.M.							•
Thompson, R.M.							•
							•
Thompson							
Thompson, City					•		
Mystery Lake, L.G.D.							•
							•
Western Interlake							
Coldwell, R.M.					•		
St. Laurent, R.M.							•
Siglunes, R.M.							•
Eriksdale, R.M.	•			•		•	•
Neepawa and Area							
Neepawa, Town					•		
Langford, R.M.							•
Rosedale, R.M.							•
							•
South Interlake							
Stonewall, Town					•		
Teulon, Village							•
Rockwood, R.M.							•
Rosser, R.M.							•
							•
South Riding Mountain							
Erickson, Village					•		
Clanwilliam, R.M.							•
Harrison, R.M.							•
Strathclair, R.M.							•
Park, L.G.D, South							•
							•

Status of Planning Programs in Planning Districts

District	Planning Scheme	Basic Planning Statement		Development Plan		Zoning By-Law	
	In Effect	Being Prepared	In Effect	Being Prepared	In Effect	Being Prepared	In Effect
Brandon and Area					•		
Brandon, City							•
Cornwallis, R.M.							•
Elton, R.M.							•
East Interlake					•		
Gimli, Town	•					•	
Arborg, Village	•					•	
Riverton, Village							•
Bifrost, R.M.	•					•	
Gimli, R.M.	•					•	
Nor–Mac					•		
MacGregor, Village							•
North Norfolk, R.M.							•
Killarney Area					•		
Killarney, Town							•
Turtle Mtn., R.M.							•
Lac du Bonnet					•		
Lac du Bonnet, Village	•					•	
Lac du Bonnet, R.M.	•					•	
Winnipeg River					•		
Powerview, Village	•						
Alexander, L.G.D.	•					•	
Roblin					•		
Roblin, Town							•
Shell River, R.M.	•					•	
Park, L.G.D., North						•	
Morton – Boissevain					•		
Boissevain, Town							•
Morton, R.M.						•	
MacDonald – Ritchot			•	•			
MacDonald, R.M.	•					•	
Wallace, R.M.	•					•	
Roblin – Cartwright					•		
Cartwright, Village							•
Roblin, R.M.							•
Virden – Wallace				•			
Virden, Town	•					•	
Wallace, R.M.	•					•	

Status of Planning Programs in Planning Districts

District	Planning Scheme	Basic Planning Statement		Development Plan		Zoning By-Law	
	In Effect	Being Prepared	In Effect	Being Prepared	In Effect	Being Prepared	In Effect
Russell – Binscarth							
Russell, Town					•		
Binscarth, Village							•
Russell, R.M.							•
Souris – Glenwood						•	
Souris, Town	•			•			
Glenwood, R.M.	•					•	
Del – Win							
Deloraine, Town					•		
Winchester, R.M.	•						•
Louise						•	
Crystal City, Village					•		
Pilot Mound, Village						•	
Louise, R.M.						•	
Ste. Rose							
Ste. Rose-du-lac, Village					•		
Ste. Rose, R.M.		•				•	
Rossburn							
Rossburn, Village					•		
Rossburn, R.M.							

Planning Advisory Service to Municipalities

The province recognizes that it may not be possible for some municipalities to join with their neighbours in planning districts. In these cases, the province still provides assistance to individual municipal corporations in preparing development plans and other related planning projects.

Planning service to municipalities is provided on a fee for service basis. All projects are estimated prior to commencement with the estimates reflecting only staff and supply input. Revenue is collected through an agreement between the Minister of Rural Development and the municipality and is dependent on staff and financial resources.

The status of land use plans is displayed on the following pages.

Status of Planning Programs in Municipalities

Municipality	Planning Scheme	Basic Planning Statement		Development Plan		Zoning By-Law	
	In Effect	Being Prepared	In Effect	Being Prepared	In Effect	Being Prepared	In Effect
Cities							
Flin Flon					•		•
Portage la Prairie					•		•
Towns							
Altona	•				•	•	
Birtle					•		•
Carman	•			•		•	
Dauphin					•		•
Emerson			•				•
Gladstone				•		•	
Grandview	•						
Hartney	•						
Leaf Rapids	•						
Melita	•						
Minnedosa	•						
Morris	•						
Rivers	•						
Snow Lake	•						
Steinbach	•				•	•	
Swan River					•		•
The Pas					•		•
Winnipeg Beach	•						
Villages							
Benito	•						
Dunnottar			•				•
Hamiota	•						
Niverville			•				•
Notre Dame	•				•	•	
Plum Coulee	•						
Ste. Anne					•		•
St. Claude	•						
St. Lazare	•						
St. Pierre–Jolys	•			•		•	
Shoal Lake	•						
Somerset	•						
Treherne					•		•
Wawanesa					•		•
Winnipegosis	•						
R.M.'s							
Archie			•				•
Argyle	•						
Cartier			•				•
Daly	•						
Dauphin			•				•
De Salaberry			•				•

Status of Planning Programs in Municipalities

Municipality	Planning Scheme	Basic Planning Statement		Development Plan		Zoning By-Law	
	In Effect	Being Prepared	In Effect	Being Prepared	In Effect	Being Prepared	In Effect
Franklin	•						
Hanover			•				•
La Broquerie	•				•	•	
Lawrence	•						
Miniota			•				•
Montcalm	•						
Morris	•						
Mossey River			•				•
Oakland		•					
Ochre River	•						
Odanah	•						
Portage la Prairie					•		•
Rhineland					•		•
Riverside	•						
Roland			•				•
Ste. Anne				•		•	
St. Francois Xavier				•		•	
Shellmouth	•						
Sifton	•						
Silver Creek	•						
Springfield	•				•		•
Strathcona	•						
Swan River					•		•
Tache	•			•		•	
Victoria	•						
Victoria Beach	•						
Whitehead			•				•
Whitemouth	•						
Whitewater	•						
Woodlands	•		•			•	
Woodworth	•						
L.G.D.'s							
Alonsa	•						
Armstrong				•		•	
Churchill			•				•
Consol							
The Pas Area			•				•
Cranberry Portage			•				•
Wanless			•			•	
Fisher	•						
Gillam					•		•
Grand Rapids			•				•
Lynn Lake	•						
Mountain	•						
Pinawa	•						
Stuartburn	•						

Planning Advisory Service to Remote and Northern Communities

Planning service to remote and northern communities is provided upon request of the Minister of Northern Affairs. Professional planning service is extended in preparing community (townsite) development plans, subdivision designs for new development, organization of existing land occupancy, infilling and infrastructure development of an economic or municipal nature.

The Minister of Northern Affairs and community councils are assisted with administering Part IX of The Planning Act which applies to Northern Manitoba. All costs associated with the Northern Planning Program are recovered under provisions of the Canada/Manitoba Northlands Agreement.

The status of planning advisory services to northern communities is illustrated below.

	Planning Scheme	Basic Planning Statement		Development Plan		Zoning By-Law	
	In Effect	Being Prepared	In Effect	Being Prepared	In Effect	Being Prepared	In Effect
Bissett			•				•
Manigotagan			•				X
Wabowden	•	•					
Moose Lake	•						
Sherridon	•	X	•				
Cormorant	•						

Planning Advisory Service in Reviewing and Processing Subdivision Applications

All applications to subdivide land are reviewed to provide advice from government departments to assist councils in making decisions and to ensure compatibility with local land use plans and with Provincial Land Use Policies. Subdivision applications are processed on behalf of local governments and planning districts. This year, field office staff reviewed 969 new applications to subdivide.

Applications which may conflict with Provincial Land Use Policies are forwarded to the Provincial Planning Branch for review. Detailed statistics showing subdivision activity are found in the Provincial Planning Branch section of this report.

Other Projects

In 1989-90, 335 special projects were prepared by Branch staff at the request of and under the direction of Planning District Boards and municipal councils. These included development plan amendments; zoning by-law amendments; subdivision design/development; commercial /industrial studies; park, playground, and campground design; recreation studies; boundary studies; highway relocation studies; road networking.

Recently there has been a considerable increase in number and scope of special projects — many involving co-ordination with other branches and departments.

Planning Advisory Service to Other Government Departments

Professional land use planning advice was provided to other government departments and agencies at their request.

Representation on inter/intra governmental committees ensures that the best possible advice on land use planning issues was extended to local governments while, at the same time, municipal opinion was represented and forwarded to committee membership.

Municipal Planning Branch staff served on the following continuing interdepartmental committees and boards.

Inter/intra Governmental Committees

Planning Act Review Committee
Rural Development Program Committee
Interdepartmental Planning Board
Provincial Land Use Policies Committee
Executive Board
Program Review Committee
Process Review Committee
Subdivision Review Committee
Crown Land Classification Committee
Flood Damage Reduction Program-Steering Committee
Recreation Development Authority
Sustainable Development (Land and Water) - Technical Advisory Committee
Regional Land Use Committees - All Field Office Senior Planners
Block Planning Committees - All Field Office Senior Planners
Manitoba Soil Survey Committee
Task Force Building Standards Committee
Bridge Assistance Program
Task Force on Road Network Planning
Interdepartmental Committee on Aerial Photography
Property Boundary Database Standards Working Group
Licensing Advisory Committee
Municipal Building Officials Association - Director
Development Officers Training Course
Decade of the Disabled Committee
Affirmative Action Committee
Workplace Health and Safety Committee
Pembina Valley Water Supply Board/Executive-Technical Advisory Committee
Pembina Valley Water Task Force
Pembina Valley Conservation District
Carman Heritage Committee
Brandon Heritage Committee
Brandon Downtown Revitalization
Thompson Downtown Revitalization
Selkirk Downtown Revitalization
Dauphin Lake Enhancement Program Technical Advisory Group
North Eastern Manitoba Study Technical Advisory Committee
South East Regional Planning & Development Committee
Winnipeg Airport Protection Advisory Committee
Brandon Development Review Committee.
Brandon Utilities Committee
City of Portage la Prairie Management Committee
Thompson Industrial Commission
Lynn Lake - Flin Flon Highway Technical Advisory Committee
Cooks Creek Conservation District Technical Study Team
Route Location Study P.T.H. 75
Morden-Winkler Corridor Highway
Tache Ad Hoc Committee
Plum Lakes Task Force
Assiniboine Delta Aquifer Committee
Bipole III Technical Advisory Committee (Conawapa/Lower Nelson)
Brandon Keystone Centre Study

Expenditures by Sub-Appropriation

6 Municipal Planning Services	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries	2,636,700	70.00	2,672,700	(36,000)	
(b) Other Expenditures	321,900		308,100	13,800	
Total	2,958,600	70.00	2,980,800	(22,200)	

Provincial Planning

The Branch advises the Provincial Land Use Committee of Cabinet (PLUC) and the Interdepartmental Planning Board (IPB), and carries out their directives in order to ensure the prudent and sustainable management of the provincial resource base.

Provincial Planning also administers the subdivision approval process and acts as the subdivision Approving Authority in order to implement the Provincial Land Use Policies and municipal development plans.

The Branch also conducts reviews of major projects to ensure that the Province's resources are protected.

Land Use Planning Policy Development and Implementation

Provincial Planning Branch provides staff to PLUC and IPB in order to supervise the development, evaluation, adjustment and implementation of the Provincial Land Use Policies in response to the changing priorities of municipalities, government departments, agencies and landowner's (Part II of The Planning Act).

Under the direction of PLUC and IPB, the Branch also mediates major resource conflicts and land use policy issues which arise among the various government departments, municipalities and developers.

The Branch organizes and supports monthly meetings of the Interdepartmental Planning Board and Provincial Land Use Policies Committee of Cabinet.

Administration of Subdivision Approval Process

The Branch is responsible on behalf of the Minister for the administration of Part VI of The Planning Act, namely the subdivision review process.

As part of its responsibilities under Part VI, the Branch advises municipal planning staff in eight field offices regarding the review and approval of subdivisions.

Provincial Planning also works with the applicant, government agencies, local planners and councils in order to properly evaluate and make decisions on difficult applications.

The Branch facilitates the transfer of Approving Authority to districts.

As well, Provincial Planning represents the Minister before The Municipal Board in order to defend Approving Authority decisions.

The Branch also monitors Part VI of the Act and prepares and proposes amendments thereto.

Staff were involved in the review of 168 subdivision applications and represented the Province at 16 Municipal Board Hearings involving subdivisions. The approving authority function was reviewed for two planning districts during 1989/90.

The following chart summarizes the subdivision activity in 1989/90 and the Branch's involvement in that process.

Applications In Process Start of Year	Applications Received	Applications Approved	Applications In Process End of Year
1,443	969	695	1,498

Applications Rejected by Local Councils	Applications Rejected by Approving Authority	Applications Rejected by Municipal Board	No. of Lots Approved
60	23	13	1,759

Socio-Economic and Land Use Review of Large Projects

Provincial Planning supervises and coordinates the interdepartmental review of significant projects, prior to environmental licensing applications.

The Branch usually establishes and often chairs interdepartmental committees to carry out these reviews and works with the proponent, various government agencies, public interest groups and municipalities to resolve the issues.

As part of the project review, Provincial Planning staff prepare reports and recommendations regarding the project impacts for PLUC and IPB staff and represent the Minister before public tribunals reviewing such projects.

The Branch led the ongoing interdepartmental review of Conawapa, the North Central Hydro Transmission Corridor and the location of Dow Corning in 1989/90.

Development Plans

Provincial Planning also conducts the interdepartmental review of municipal development plans, resolving conflicting viewpoints and preparing documents for Cabinet approval (responsibility under Part IV of The Planning Act).

The Branch represents the Minister before The Municipal Board and other public tribunals in order to defend provincial positions.

Ninety-three development plans and amendments were reviewed by Provincial Planning during the fiscal year. Most conflict issues were resolved. Thirty-eight development plans and amendments were approved. Staff represented the Minister at ten Municipal Board hearings concerning development plans and zoning by-laws.

Other

The Branch also contributed staff resources to the review of the new Department's policies and organization and to the development of new departmental programming.

The Branch also provides organizational support to the Sustainable Development Committee of Cabinet and some staff resources to the Sustainable Development Coordination Unit. Provincial Planning staff participated in the ongoing preparation of eight different component strategies under the Sustainable Development Initiative.

Expenditures by Sub-Appropriation

7 Provincial Planning	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries	422,700	9.00	430,000	(7,300)	
(b) Other Expenditures	33,500		37,200	(3,700)	
Total	456,200	9.00	467,200	(11,000)	

The Surface Rights Board

The Surface Rights Board is appointed under the provisions of The Surface Rights Act and consists of a Chairperson and several citizen members appointed annually by Order-in-Council.

The Surface Rights Act as administered through the Board provides a comprehensive procedure to adjudicate problems which arise between operators and owners or occupants with respect to rights-of-entry to explore for minerals, and to determine compensation to be paid to surface rights owners. The Board is also responsible for assuring the maintenance, preservation, and restoration of the surface of the land when the site is abandoned.

In 1987-88 a new Surface Rights Act was approved. Because of its quasi-judicial nature, the Board is attached to the department for administrative reasons only. The Board prepares a separate annual report each fiscal year.

Expenditures by Sub-Appropriation

8 Surface Rights Board	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries	75,100	2.00	91,600	(16,500)	
(b) Other Expenditures	14,900		36,000	(21,100)	
Total	90,000	2.00	127,600	(37,600)	

The Manitoba Water Services Board

The Board was established under the authority of The Water Services Board Act in 1972. Its basic objectives are to provide municipalities, unincorporated communities, and individual farmers with information and design, technical and financial support in developing and upgrading sewer and water infrastructure.

The Act stipulates that the Board shall consist of not more than five members. Board activities are directed, at present, by a three-person Board chaired by a representative from the Department of Rural Development with other members representing Manitoba Environment and the public with representatives from Agriculture and Natural Resources to be appointed shortly. Day-to-day activities are conducted by staff in Brandon and by staff located in rural communities. The Board, which prepares an Annual Report by fiscal year as a statutory requirement, reports to the Legislature through the Minister of Rural Development.

In April 1989, responsibility for the Water Services Board was transferred from Manitoba Agriculture to Rural Development.

Specific objectives of the Board are spelled out in the legislation and met through the programs described below, and through the grant programs described in the section for Expenditures Relating to Capital.

Information

Information to client groups continues to be an important function of the Board. In 1989-90, the Manitoba Water Services Board prepared a new report titled "Agricultural Irrigation Using Treated Municipal Wastewater: Manitoba Guidelines". This report as well as copies of Water Services Board fact sheets and technical information brochures can be obtained directly from the Board.

Water Treatment Plants

On April 1, 1989 the Board operated 33 Previously Constructed (prior to 1972) and 10 Newly Constructed (1972 – 1986) for a total of 43 water treatment plants. Water rates for 18 were at the subsidized level of $5.80 per 1,000 Imperial gallons effective April 1, 1990. Subsidies are paid under the Water and Sewer grant program.

Water rates remained unchanged for 15 Previously Constructed and six Newly Constructed for a total of 21 communities with rate increases for 19 Previously Constructed and four Newly Constructed with rate decreases for three Newly Constructed for a total of 23.

All changes in water rates were due to the findings of the annual water rate study.

The Village of Ste. Rose du Lac took over operation of the water treatment plant from the Board on July 1, 1989. Therefore, as of March 31, 1990, the Board was left with 32 Previously Constructed works.

Upgrading of water treatment plants in Plum Coulee, Ste. Agathe, Somerset, Notre Dame, Swan Lake, and Winnipegosis improved water treatment processes and increased pumping rates to meet demands for potable water. New water supply wells were constructed in Angusville and Erickson to meet increased demands.

Expenditures by Sub-Appropriation

9 Manitoba Water Services Board	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
(a) Salaries					
- Main Estimate		37.28	1,468,500		
- Main Estimate Authority from General Salary Increase XXV			33,600		
Total Salaries	1,480,900	37.28	1,502,100	(21,200)	
(b) Other Expenditures	307,000		458,500	(151,500)	1
Total	1,787,900	37.28	1,960,600	(172,700)	

Explanation:

1. Actual expenditures were less than the estimates in part due to a Valuation Allowance, which resulted in a year end reduction of operating expenditures in the amount of $54.9. Other reasons are recoveries of expenditures from projects which reduce the costs charged to this operating appropriation, and less than anticipated feasibility study costs in the 1989/90 fiscal year.

Rural Economic Development

The Branch serves as a lead agent in the Department for regional and community economic development, planning and inter-agency co-ordination on rural economic development matters.

The Branch provides a variety of business related and economic development services primarily focused on Regional Economic Development through the Regional Development Corporations and a community-based local economic development and business support initiative.

In April 1989, the Branch was transferred from Manitoba Industry, Trade and Tourism to Rural Development. A description of major programs follows.

Regional Development Corporations Program

There are six Regional Development Corporations (RDC's) in operation. These are Parkland Regional Development Incorporated, Interlake Development Corporation, Inc., East-Man Regional Development Inc., Pembina Valley Development Corporation, Central Plains Inc., and the Norman Regional Development Inc. West-Man disbanded in 1978.

CORPORATION NAME	1988/89	1989/90
Central Plains Inc.	$97,374	$98,225
East-Man Regional Development Inc.	$ 81,588	$84,255
Interlake Development Corporation Inc.	$ 88,348	$86,933
Norman Regional Development Inc.	$102,111	$104,732
Parkland Regional Development Inc.	$100,874	$86,810
Pembina Valley Development Corp.	$ 90,359	$92,986
Manitoba Association of RDCs	$ 57,346	$80,059*
TOTALS	$618,000	$634,000

* Includes a provision of $14,915 for the administration of the Parkland Region in addition to joint RDC initiatives such as industrial prospecting, promotion, community profiles and non-wage benefits package.

Business Support Service

The Branch provides business advice, counselling and business consulting support to a total of 289 clients. Assistance includes information on business start-up, marketing, financial sourcing and restructuring and business development.

The Branch also serves as the lead in the inter-departmental committee in the privatization of Gimli Industrial Park which resulted in the transfer of municipal services from the Department of Government Services to the Rural Municipality of Gimli. The privatization allows for the sale of leased properties to tenants of the Park which will substantially improve the economic viability and long term planning for the businesses operating in the Park.

Community Economic Development

The Branch provides assistance in organizational development and strategic economic planning and has assisted numerous communities in both of these areas.

Rural Assisted Communities

Melita	Deloraine	Brandon	Birtle
Russell	Shoal Lake	McAuley	Wawanesa
Killarney	Pilot Mound	Morden	Treherne
Grandview	Swan River	Gilbert Plains	Roblin
Dauphin	McCreary	Ste. Rose du Lac	Roland
Stonewall	Teulon	Selkirk	Arborg
Riverton	Lundar	Eriksdale	Ashern
LGD of Piney	Niverville	Beausejour	Pinawa
Churchill	The Pas	Flin Flon	

Liaison

The Branch liaises with and is the departmental contact in respect to the Federal Community Futures initiative which provides funding to the following Business Development Centres and Community Futures Committees.

Manitoba Business Development Centres

- Central Plains Business Dev. Centre
- Dakota Ojibway Dev. Group
- Enterprise St. Boniface
- Greenstone Business Dev. Centre
- Granite Shield Incentives
- Northeast Interlake Bus. Corp.
- Northwest Manitoba Business Dev. Centre
- Pimajihowin Business Dev. Centre Inc.
- Southeast Development Corp.
- Super Six Business Dev. Centre
- Triple S Investments Corporation
- Venture Corporation of Brandon and District

Manitoba Community Futures Committees

- Brandon and District Community Futures Committee
- Central Plains Community Futures Committee
- Dakota Ojibway Community Futures Committee
- Greenstone Community Futures Committee
- Northeast Community Futures Committee
- Northeast Interlake Community Futures Committee
- Northeast Manitoba Community Futures Committee
- Southeast Community Futures Committee
- Super 6 Community Futures Committee
- Triple S Community Development Board
- Winnipeg River-Brokenhead Ventures Inc.

Expenditures by Sub-Appropriation

10 Rural Economic Development	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
Salaries					
- Main Estimate		9.00	406,800		
- Main Estimate Authority from General Salary Increase XXV			4,800		
Total Salaries	399,700	9.00	411,600	(11,900)	
Other Expenditures	120,700		128,600	(7,900)	
Grants	634,000		634,000		
Total	1,154,400	9.00	1,174,200	(19,800)	

Conservation Districts Authority

The goal of the Conservation Districts Authority is to promote the wise management and sustained use of Manitoba's land and water resources through the delivery of the Conservation Districts Program. Over the fiscal year 1989/90, activities fell into three broad program areas: coordinating the provision of services to existing districts; encouraging the growth of the program on a province-wide basis; and acting as Secretariat to the Conservation Districts Commission.

Authority activities are directed by a five person commission and reported to the Legislature by the Minister of Rural Development. As a statutory requirement, a separate annual report is tabled each fiscal year.

In 1989, responsibility for the Conservation Districts Authority was transferred from Manitoba Natural Resources to Rural Development.

Services to Conservation Districts

The objective is to assist in planning, financing and implementing a variety of resource management programs and projects undertaken by the districts. The C.D.A. also provides the professional, technical and administrative assistance required in planning and implementing district programs.

The Authority conducted regular audits and inspections in connection with program support and monitoring. It also acted as consultant to the Boards in the development of Personnel and Administrative/Accounting manuals.

A summary of district activities is provided in the section for Expenditures Related to Capital - Conservation District Grants.

Conservation District Program Expansion

Interest in the conservation district program continued throughout the 1989/90 fiscal year. The C.D.A. proceeded to work with three groups of municipalities interested in forming districts. Coordination of efforts of a fourth group resulted in the formation of the Pembina district. There were also some requests for information about the program for new groups of municipalities which were actioned by C.D.A. staff. Four draft proposals for new districts were prepared. Also, more than ten public and municipal meetings were attended to provide information on the program.

Upper Assiniboine

Early in the 1989/90 fiscal year, after a series of public meetings held the previous fall, a major restructuring of the proposed district became necessary. The R.M.'s of Ellice, Shoal Lake, Miniota, Birtle, the Town of Birtle and the Villages of Shoal Lake and St. Lazare eventually agreed to a proposal to form a district. The proposal was reviewed and supported by the Conservation Districts Commission. Late in the fiscal year, approval to establish the district had also been received from the Provincial Land Use Committee of Cabinet.

Intermountain

Municipalities in the Intermountain (West Dauphin) area held discussions regarding a proposed district. The southern portion of the L.G.D. of Mountain joined in negotiations when efforts to establish a district in the Swan River area failed. Water and soil management and conservation are the major concerns. Drainage, as part of water management strategy, has major implications as to costs. The C.D.A. was asked to prepare a report which would evaluate the cost implications of the drainage system and its effects on member municipalities. A special committee consisting of members from participating municipalities was formed to review the study which is expected to be ready early in the new fiscal year.

Roseau River

Discussions with municipalities in the Roseau River area continued. The municipalities are seeking a preferred mechanism for dealing with intermunicipal water problems and a variety of soil management and resource concerns. After a tour of one of the existing conservation districts, the Roseau River municipalities decided to request a review of drainage costs in their proposed district. Based on this and discussions with the Minister, the municipalities proposed examining the viability of forming a district which would leave drainage responsibilities with the Province and member municipalities. Further discussions are planned for early in the new fiscal year.

Brokenhead

Interest in the conservation district program was also expressed in the Brokenhead and Reynolds areas. The request will be examined in light of Planning District activities currently underway in these areas.

Conservation Districts Commission

The Conservation Districts Commission is mandated by The Act to provide advice and recommendations to the Minister; to review Resource Management Plans, district operations and budgets. The Commission is also mandated to provide advice and guidance to the district boards. The C.D.A. provides a secretariat function to the Commission.

Highlights of Commission activities for the 1989/90 fiscal year include:

- reviewing and approving the conservation district programs and recommendations in regard to the allocation of the Provincial grant;
- initiating a request for the C.D.A. to review the Hansen Creek project which resulted in considerable cost savings and an environmentally sensitive project;
- spearheading efforts to develop a coordinated multi-disciplinary land use strategy for the Big Grass Marsh in cooperation with stakeholders such as Ducks Unlimited, Prairie Farm Rehabilitation Administration, the District Board and the Province;
- recommending that Phase II of the Cooks Creek Diversion be delivered as a drainage project through the Department of Natural Resources;
- recommending approval of the Upper Assiniboine Conservation District;
- sponsoring and participating in a workshop with the conservation district boards in order to develop or refine policy matters common to all districts.
- encouraging the districts to target programming to address the recent drought conditions;
- touring the newly established Pembina Valley Conservation District in order to gain an insight and a better appreciation of the issues confronting the District.
- responding to a request from the Minister to reevaluate the provincial grant cost share policy;
- recommending approval of the Whitemud Watershed Conservation District Management Plan.

Several changes in the Commission membership were made in 1989/90.

Current membership includes representatives from Manitoba Agriculture, the Union of Manitoba Municipalities, Conservation District Boards, and a citizen appointee. The Board is chaired by the Deputy Minister of Rural Development.

Other Activities

As an extension of these primary functions, the C.D.A. became involved in several other activities as described below:

- Prepared a program strategy for the Conservation districts program which was subsequently supported by the districts and the Commission.
- Spearheaded the organization of the Lake Dauphin Advisory Board.
- Assisted in developing terms of reference for the preparation of a systematic water management planning process for the Province.
- Assisted in developing a study plan for Big Grass Marsh.
- Participated in many committees, workshops and special projects such as: the International Coalition, Land and Water Strategy, State of the Environment Report, National Soil Conservation Week, Western Provinces Conference, etc.

Expenditures by Sub-Appropriation

11 Conservation Districts Authority	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
Salaries	258,400	7.00	296,000	(37,600)	
Other Expenditures	110,600		137,000	(26,400)	
Total	369,000	7.00	433,000	(64,000)	

Expenditures Relating to Capital

This appropriation includes Capital Grants such as Urban Transit Bus Purchases, Water Development, Sewer & Water and Conservation Districts, and Acquisition/Construction of Physical Assets which includes Conservation District Development. Details on each of these programs follows.

Transit Bus Purchase Program

Under this program, a 50 percent grant assists with the purchase of handi or regular transit buses.

Total Clients Served	1988-89	1989-90
City of Brandon	$70,302.00*	$94,707.00

* A used demonstrator handi-transit vehicle was purchased in 1988-89.

Expenditures by Sub-Appropriation

12 (a) Capital Grants	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1 Urban Transit Bus Grants	94,700		107,000	(12,300)	

Water Development Programs

The various water sources development programs previously carried out under the departmental structure effective as of April 1984, are being handled by the Board and supported by provincial grants as follows and described by program. Also when requested, the Board enters into agreements with municipalities and non-profit water utilities (Water Districts) for projects under the Water Development program. Total project management which includes engineering design approvals, tendering, contract administration and interim financing are provided utilizing the same procedures followed for larger Board municipal projects. Details on the individual Water Development program follows.

On-Farm Water Services Farm Water Source Development

This program assists individual farmers whose situations do not qualify for PFRA assistance to develop satisfactory off-farmstead water sources through: in-field calls and consultation; technical assistance; water purification and treatment; design; and financial aid. A 30 percent rebate is paid on all eligible costs per farmstead. A maximum rebate of $2,000 is paid to farmers whose systems meet minimum design criteria but which are not designed prior to construction.

To be eligible for assistance; clients must be bona fide farmers; the water source must be located off the farmstead; and system installations must involve abnormal cost in transporting water from the source to the point of use of first water outlet. In 1989-90 under this program 2,593 requests for technical assistance were dealt with, down from the 2,853 requests filled the previous year since drought conditions experienced in 1988-89 had eased slightly.

Total Number of Rebates Paid	1988-89	1989-90
Individual farmers	116*	134*

*Included in this total are special grant funds authorized by the province because of drought conditions in certain agricultural areas.

Irrigation

The Board extends technical assistance in preparing soil and water analysis studies to farmers during the planning stages to ensure that all irrigation is feasible.

Total Clients Served	1988-89	1989-90
Individual farmers	5*	11*

* Increased activity is directly attributed to the second year of the drought.

Dugout Filling

To ensure farmer's water needs are met, the Board rents pumping equipment and pipe for dugout filling. Technical assistance in upgrading or drought proofing water sources is also available through farm water technologists.

In 1989-90, the equipment rental charge was $350 for filling normal-sized dugouts with the pumping distance up to 1 1/4 mile. An additional charge of $200 was assessed for each additional 1 1/4 mile of pipe required.

Total Clients Served	1988-89	1989-90
Individuals farms	504*	378*

* In the first year of the drought, water sources for pumping were readily available. In 1989-90 however, many water sources had dried up because of prolonged drought conditions. This greatly increased the pumping distance normally encountered.

Community Water Source Development

The program assists local governments to identify and develop dependable water sources to serve community and farm needs. The program is accessed through resolution of councils who apply as proposed owners/operators or on behalf of local water co-operatives. In 1989-90, the board provided a 30 percent grant on all eligible costs once PFRA contributions were deducted.

Under the same program, the board assumes 100% of the costs associated with well construction supervision.

In some areas, Board program guidelines cannot be applied. In these instances, the Board will cost share the construction at a rate of 30% to a maximum of $2,000.00.

Total Clients Served	1988-89	1989-90
Local Water Co-operatives	51*	73*

* Included in this total are special grant funds authorized by the province because of drought conditions in certain agricultural areas.

Agricultural Area Water Pipeline

Through a co-operative program between the Board and P.F.R.A., assistance is provided to local governments or to incorporated groups sponsored by the municipality to install pipelines for transporting water from a reliable supply to a water short area. Access to the program is through resolution of council.

Technical support in estimating costs, design, project management, construction supervision and for testing and system start-up, is shared by the Board.

Fifty percent of the approved eligible cost of the main pipeline materials and installation only are covered by the P.F.R.A.

In 1988/90, the Board paid 30% of the total project costs after the P.F.R.A. contribution had been deducted. This included cost associated with service connections, rights-of-way, easements, and engineering design.

Total Clients Served	1988-89	1989-90
Incorporated Groups	14*	16*

* Included in this total are special grant funds authorized by the province because of drought conditions in certain areas.

Agricultural Community Water & Sewer

The program assists smaller unincorporated rural communities to install water and sewage treatment and distribution/collection facilities.

Local governments, through resolution of council apply to the Board for assistance.

Technical assistance was provided to an additional six communities in 1988/89 and to two communities in 1989/90.

In 1989/90, a rebate of 30% of eligible costs, including engineering, construction, material and land purchases was paid as follows:

Total Clients Served	1988-89	1989-90
Unincorporated Communities	12*	7*

A major grant of $207,500 to the unincorporated community of Warren was approved this year.

* Included in this total are special grant funds authorized by the province because of drought conditions in certain areas.

Drought Proofing

Due to severe drought conditions a special warrant approving funding for drought proofing assistance was extended. The program was accessed through resolution of council.

Total Clients Served	1988-89*	1989-90*
Agricultural Area Pipelines	12	16
Community Water Source	8	22
Community Water & Sewer	0	1
Farm Water Source (Individual Farms)	67	22

* These totals are included in the totals shown for each of the individual activities.

Expenditures by Sub-Appropriation

12 (a) Capital Grants	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
2 Water Development	1,280,400		1,300,000	(19,600)	

Municipal Water and Sewer Programs

The Board provides technical and financial assistance to municipalities to develop water and sewer systems. The program is accessed through council resolution.

A provincial grant equal to 50% of the difference between the capital cost of a project and the capitalized value of 20 mills (sewer only, eight mills; water only, 12 mills) discounted over 20 years at the current rate of borrowing on equalized assessment was paid as follows.

A capital grant at 60% was paid to northern communities because of higher construction costs.

However, since the costs in The Pas are not as great as those in most northern communities, the provincial grant is 55%.

	1989/90	
Total Clients Served	Total Cost	Provincial Assistance
55 Municipalities Water & Sewer	$8,020,400	$3,441,700

Several communities had a number of sewer and water projects. Totals reflect projects in design phases, under construction, and completed in 1989-90.

Expenditures by Sub-Appropriation

12 (a) Capital Grants	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
3 Sewer and Water	3,441,700	—	3,500,000	(58,300)	

Conservation District Grants

Provincial support for approved conservation district programs equalled 75 per cent of the costs. Programs to be funded by this grant include administration, maintenance, development, public education and information. All district programs were reviewed by the Conservation Districts Commission which authorized grant funding as follows.

District Reports

Whitemud Watershed Conservation

A multiple use resource management plan for the Big Grass Marsh was initiated in 1989. The plan will identify several options for water storage and will take into consideration agricultural and wildlife interests.

Projects completed during 1989/90 were Rat Creek, Perch Creek, and Beaudin projects. The Lloyd water storage project was jointly constructed by the R.M. of North Norfolk, the landowner and the District. The Rodgers water storage project demonstrates water conservation in the upland region of the Squirrel Creek Subdistrict. Construction of several water storage facilities included nesting islands for water fowl. Ninety percent of the Grass River project was completed with one mile to be completed in 1990.

This year's program reflected the Board's continued commitment to soil and water conservation. Water storage projects were a Board priority, with the construction of 12 small dams in 1989. A combination habitat improvement/water conservation program for wetlands was introduced in 1989/90. Soil erosion prevention programs included Forage Seed Assistance, Field Shelterbelt and Grassed Runway programs. Agri-Food projects, funded through the Economic and Regional Development Agreement (ERDA), assisted soil demonstration projects such as zero tillage and salinity management. Other programs included crossings, administration, education and a continuation of a variety of wildlife and other resource programs.

Turtle River Watershed Conservation District

The District continued programs of crossing repair and replacement with its own labour crew. They also supervised a variety of drain maintenance programs. Soil conservation programs included bufferstrips, forage establishment, grassed waterways and zero-till.

The district has also undertaken several new initiatives, particularly in wildlife, education and recreation.

In 1989, the Board initiated a recreation program. Access to the Turtle River Boat Launch was constructed on land previously purchased by the Board. Construction of the boat launch itself will be done through the Manitoba Small Crafts program. Major works were completed on the Ochre Beach Canal Cleanout and Boat Launch.

A $5,000 grant received from the Manitoba Habitat Heritage Corporation was used by the Board to assist with the purchase of a quarter section of multi-resource land. The District, in cooperation with Manitoba Fisheries Branch, implemented a Water Quality Improvement and Streambed Stabilization project. A series of drop structures were installed to stabilize a sensitive reach of the Crawford Creek.

The Wildlife Incentive program included nine landowners receiving a one-time payment each of $300 in return for leaving certain land untouched for wildlife and other conservation benefits. A total of 1606 ha. have been conserved for wildlife habitat.

The R.M.'s of Ste. Rose, Ochre River and McCreary participated in the Board's Conservation Corridors program. An agreement was entered into which designated road allowances will remain in their natural state for conservation benefits. Highlights of the District's public education program included a mural competition co-sponsored by Ducks Unlimited Canada; the Annual Conservation Farm Family Award and the Youth Speaking Contest; participation in National Soil Stewardship Week; planting trees for wildlife; production of two soil conservation videos and construction of the District's first parade float.

The Board hired two employees for a six month period under the auspices of the On-Site program, a joint effort between Energy Pathways Inc., Employment and Immigration Canada and employers, to provide related work experience for graduates through the sponsoring employer.

Alonsa Conservation District

Maintaining and upgrading the existing drainage system was a high priority in 1989/90. There had been an increase in landowner requests to control timing of water release, in addition to the need for rapid water removal.

The Forage Seed Program remained extremely popular, as ranching is the primary agricultural

activity in the District. Grass and legume seed was provided to 157 farmers to seed 16,623 ha.

A major emphasis was placed on the Public Education program. Presentations were made at all schools in the district, and the district sponsored a public speaking competition. To complement the Portia project, work began on the interpretative trails.

An agreement was reached between the District and Westroc Mining Company to cooperate on the rehabilitation of the gypsum mine north of Amaranth. A planning committee was set up to oversee the long term project that will address multiple land use issues.

With the co-operation and support of local organizations, the District collected pickerel spawn and released five million fry into Lake Manitoba. The effort was one step toward enhancing pickerel populations in the lake.

Turtle Mountain Conservation District

The District's first major backflood irrigation project was initiated. The control structure retains water on approximately 160 ha. of pasture and cropland. Construction was completed on 12 small water storage projects, with the assistance of Ducks Unlimited and other wildlife groups. Approximately 20 miles of runway stabilization were completed and construction preparation began on the Derksen-Heide Dam.

The forage seed program continued to be popular as evidenced by a 20 percent increase in participation over the previous year with 150 applicants seeding 2400 ha. Field shelterbelt plantings also showed an increase with over 20 miles of trees planted.

The District began work on a pilot project to address the growing concern for vanishing habitat. Habitat enhancement was further encouraged through a fish stocking experiment southwest of Deloraine.

In addition to the already extensive public education program, a pilot education program involving district schools was initiated. The District plans to have the program, which involves an investigative study of conservation related topics within the District and abroad; incorporated into the school curriculum.

Lotteries Funds were used to construct an observation tower at the Metigoshe Natural Area. Further site development included signs and interpretive stops. External funds were also used to construct a navigation channel and interpretive site at Canada Creek on the west end of the Metigoshe Recreational Area.

Cooks Creek Conservation District

Water management programs included reconstruction and maintenance of various drains and crossings with three bridges being replaced by culvert crossings.

The Cooks Creek Diversion entered Phase II of the project. An agreement of understanding between Manitoba Natural Resources and the Board was signed in October 1989, providing for a five year cost sharing arrangement for tributary expenditures. Upgrading of the tributary drains included 13 km. of drains in Subwatershed 2 and the completion of design work and a report on Subwatershed 3 drainage network.

As part of Soil Conservation Week, the Board distributed grocery bags, placemats and conservation school kits to local businesses and schools. Trophies were donated to the Springfield 4-H public speaking competition, and the Springfield Junior High School received a Soil Conservation Kit Teacher's Guide.

Pembina Valley Conservation District

The Pembina Valley Conservation District #6 was established October 2, 1989. It was formed in response to concerns about water and soil management, particularly in the Pembina Valley and on the uplands which have been significantly affected by the drought conditions of the 1980s.

Subdistrict members were appointed and a board and chairman were elected in January 1990. The board held selection interviews in March and hired a district manager and secretary-treasurer.

Activities were limited to renovating and furnishing the office in Manitou and the many organization meetings required to get the district operational. The Board began preparation of a program and budget for 1990/91 and the development of a resource management strategy.

Expenditures by Sub–Appropriation

12 (a) Capital Grants	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
4 Conservation Districts	2,005,000		2,011,000	(6,000)	

Conservation District Development

Conservation District projects which qualified under provisions of the Canada/Manitoba Agri-food Agreement included soil and water management programs to enhance agricultural production.

This year, financial assistance was extended to the Crooks Creek and Whitemud Districts to assist in completing Draft and Final Management Plans.

Expenditures by Sub–Appropriation

12 (b) Acquisition/ Construction of Physical Assets	Actual 1989/90 $	Estimate 1989/90 SY	$	Variance Over (Under)	Expl. Number
1. Conservation Districts Development	67,000		60,000	7,000	1

Explanation:

1. The 1989/90 expenditures were greater than in the estimates as a result of consultants contracts scheduled to be paid in the 1988/89 fiscal year being extended into the 1989/90 fiscal year, due to delay in the preparation of management plans.

Expenditure Summary

Department of Rural Development
Expenditure Summary

For the fiscal year ended March 31, 1990

ESTIMATE 1989/90	APPROPRIATION	ACTUAL 1989/90	ACTUAL 1988/89	INCREASE (DECREASE)	EXPLANATION NUMBER
13-1	**ADMINISTRATION AND FINANCE**				
$ 20,600	a Minister's Salary	$ 20,500	$ 20,600	$ (100)	
	b Executive Support				
299,700	1 Salaries	281,400	306,300	(24,900)	
71,900	2 Other Expenditures	156,100	91,900	64,200	1
	c Brandon Office				
73,000	1 Salaries	74,800	—	74,800	2
30,000	2 Other Expenditures	37,300	—	37,300	2
	d Human Resource Management				
144,100	1 Salaries	142,000	132,300	9,700	
11,400	2 Other Expenditures	9,700	11,800	(2,100)	
	e Financial and Administrative Services				
237,800	1 Salaries	232,100	214,400	17,700	
155,500	2 Other Expenditures	126,800	144,000	(17,200)	
100,000	f Rural Development Institute - Grant	100,000	100,000	—	
1,144,000	Total 13-1	1,180,700	1,021,300	159,400	
13-2	**MUNICIPAL BOARD**				
307,400	a Salaries	297,800	312,100	(14,300)	
51,900	b Other Expenditures	60,500	52,000	8,500	3
359,300	Total 13-2	358,300	364,100	(5,800)	

*Includes the General Salary Increase Authority in the amount of $70,600.

Department of Rural Development
Expenditure Summary

For the fiscal year ended March 31, 1990

13-3	**MUNICIPAL ADVISORY AND FINANCIAL SERVICES**				
1,259,300	a Salaries	1,082,800	1,112,900	(30,100)	
168,400	b Other Expenditures	157,100	137,000	20,100	
28,027,500	c Grants to Municipalities in Lieu of Taxes	27,626,100	26,652,600	973,500	4
735,300	d Urban Transit Grants	726,900	707,000	19,900	
17,300	e Centennial Grants	4,200	—	4,200	
657,200	f Police Services Grants	647,900	576,000	71,900	
1,502,000	g General Support Grants	1,509,000	1,437,300	71,700	
32,367,000	Total 13-3	31,754,000	30,622,800	1,131,200	
13-4	**MUNICIPAL ASSESSMENT**				
4,645,700	a Salaries	4,691,000	4,500,500	190,500	
896,000	b Other Expenditures	628,500	452,600	175,900	5
5,541,700	Total 13-4	5,319,500	4,953,100	366,400	
13-5	**RESEARCH AND SYSTEMS SERVICES**				
	a Research				
169,300	1 Salaries	150,100	165,800	(15,700)	
9,500	2 Other Expenditures	9,400	6,800	2,600	
	b Systems Services				
657,300	1 Salaries	627,200	440,800	186,400	6
3,520,800	2 Other Expenditures	2,513,000	2,082,900	430,100	7
4,356,900	Total 13-5	3,299,700	2,696,300	603,400	

Department of Rural Development
Expenditure Summary

For the fiscal year ended March 31, 1990

13-6	**MUNICIPAL PLANNING SERVICES**				
2,672,700	a Salaries	2,636,700	2,496,900	139,800	
308,100	b Other Expenditures	321,900	289,500	32,400	
2,980,800	Total 13-6	2,958,600	2,786,400	172,200	
13-7	**PROVINCIAL PLANNING**				
430,000	a Salaries	422,700	380,600	42,100	
37,200	b Other Expenditures	33,500	30,000	3,500	
467,200	Total 13-7	456,200	410,600	45,600	
13-8	**SURFACE RIGHTS BOARD**				
91,600	a Salaries	75,100	72,700	2,400	
36,000	b Other Expenditures	14,900	24,500	(9,600)	
127,600	Total 13-8	90,000	97,200	(7,200)	
13-9	**MANITOBA WATER SERVICES BOARD**				
1,502,100	a Salaries	1,480,900	1,377,200	103,700	
458,500	b Other Expenditures	307,000	(382,600)	689,600	8
1,960,600	Total 13-9	1,787,900	994,600	793,900	

Department of Rural Development
Expenditure Summary

For the fiscal year ended March 31, 1990

13-10	**RURAL ECONOMIC DEVELOPMENT**			
411,600	a Salaries	399,700	441,800	(42,100)
128,600	b Other Expenditures	120,700	129,900	(9,200)
634,000	c Grants	634,000	636,000	(2,000)
1,174,200	Total 13-10	1,154,400	1,207,700	(53,300)
13-11	**CONSERVATION DISTRICTS AUTHORITY**			
296,000	a Salaries	258,400	265,700	(7,300)
137,000	b Other Expenditures	110,600	123,700	(13,100)
433,000	Total 13-11	369,000	389,400	(20,400)
13-12	**EXPENDITURES RELATED TO CAPITAL**			
107,000	a Capital Grants			
	1 Urban Transit Bus Purchases	94,700	70,300	24,400
1,300,000	2 Water Development	1,280,400	1,254,100	26,300
3,500,000	3 Sewer and Water	3,441,700	3,594,400	(152,700)
2,011,000	4 Conservation Districts	2,005,000	1,931,100	73,900
	b Acquisition /Construction of Physical Assets			
60,000	1 Conservation District Development	67,000	82,600	(15,600)
6,978,000	Total 13-12	6,888,800	6,932,500	(43,700)
$57,890,300	TOTAL EXPENDITURES	$55,617,100	$52,476,000	$3,141,100

EXPLANATIONS

1. **Executive Support - Other Expenditures**

   The 1989/90 actual expenditures were greater than in 1988/89 due to the increased mandate and higher profile of the Department of Rural Development, as compared to the former Department of Municipal Affairs, which has placed increased demands on travel and other costs. Increased operating costs have also resulted directly from the addition of several new branches to the department for the 1989/90 fiscal year.

2. **Brandon Office - Salaries & Other Expenditures**

   This office was new in 1989/90, and therefore there were no comparative expenditures in the 1988/89 fiscal year.

3. **Municipal Board - Other Expenditures**

   The 1989/90 expenditures were greater than in 1988/89 due to an increase in the number of rural board members, which resulted in increased travel related costs.

4. **Grants-in-Lieu of Taxes**

   The 1989/90 actual expenditures were greater than in 1988/89 due to general realty tax increases and additional properties acquired by the Province.

5. **Municipal Assessment - Other Expenditures**

   The 1989/90 actual expenditures were greater than in 1988/89 due to additional costs associated with assessment reform. These additional costs were planned for in the 1989/90 estimates.

6. **Systems Services - Salaries**

   The 1989/90 actual expenditures were greater than in 1988/89 primarily due to the addition of 4.26 staff years associated with the development of the Manitoba Assessment Computerization System.

7. **Systems Services - Other Expenditures**

   The 1989/90 actual expenditures were greater than in 1988/89 due to the development of the Manitoba Assessment Computerization System.

8. **Manitoba Water Services Board - Other Expenditures**

   The 1989/90 actual expenditures were greater than in 1988/89 due to fluctuations in the Valuation Allowance. The actual expenditures prior to the Valuation Allowance were $294,800 in 1988/89 and $361,900 in 1989/90 (Valuation Allowance was $677,400 in 1988/89 and $54,900 in 1989/90). This increase was due mainly to increased feasibility studies, and to a lesser degree increased travel costs resulting from more construction and dugout filling activity than the previous year, combined with increased mileage rates.

Revenue Summary

Department of Rural Development
Revenue Summary by Source

For the fiscal year ended March 31, 1990

ACTUAL 1988/89	ACTUAL 1989/90	INCREASE (DECREASE)	SOURCE	ACTUAL 1989/90	ESTIMATE 1989/90	VARIANCE	EXPLANATION NUMBER
			CURRENT OPERATING PROGRAMS - OTHER REVENUE				
$ 330,600	$ 344,400	$ 13,800	a Fees	$ 344,400	$ 400,500	$ (56,100)	
6,967,900	6,696,400	(271,500)	b Municipalities Shared Cost Receipts	6,696,400	7,448,000	(751,600)	1
22,100	13,600	(8,500)	c Sundry	13,600	10,000	3,600	
$7,320,600	$7,054,400	$(266,200)	**TOTAL REVENUE**	$7,054,400	$7,858,500	$(804,100)	

EXPLANATIONS

1. Actual 1989/90 revenue was less than the 1988/89 revenue due to a small decrease in the recovery of assessment related costs, and a further decrease in Manitoba Water Services Board salary recoveries. The decrease in salary recoveries was due to fewer construction and engineering services being performed by Water Services Board staff on projects in 1989/90, and more of this work being done by outside consultants.

Actual revenue was less than budgeted because this revenue is primarily based on the recovery of assessment related costs (75% of Assessment Branch expenditures and 50% of Systems Services Branch assessment related costs). The costs in these branches were less than the Printed Estimates, resulting in a revenue shortfall.

Explanation Notes:

1. The actual expenditures and staff years for 1985/86, 1986/87, 1987/88 and 1988/89 have been adjusted to reflect the 1989/90 reorganization of the Research Branch from Administration and Finance to Research and Systems, and to reflect the transfer of costs associated with public information in regard to assessment reform from Administration and Finance to Municipal Assessment. These figures now reflect the reorganization on a comparable basis with the 1989/90 structure.

2. The 1986/87 and 1987/88 actual expenditures have been decreased to reflect the transfer of the committee on Boards and Commissions to another department in 1988/89. The 1988/89 actual expenditures have been increased to reflect a Rural Development Institute grant which was transferred to Rural Development from the Department of Agriculture in 1989/90.

3. The 1985/86 and 1986/87 actuals have been increased to include the General Support Grants which were transferred to Rural Development from the Department of Finance in 1987/88.

4. The 1985/86 figures have been adjusted to include the Surface Rights Board which was transferred to Rural Development from Energy and Mines for 1986/87.

5. These branches were transferred to Rural Development for the 1989/90 fiscal year from the Departments of Agriculture, Industry, Trade and Tourism and Natural Resources. The actual expenditures of these branches for 1985/86, 1986/87, 1987/88 and 1988/89 have been included to present figures on a comparable basis with the 1989/90 structure.

6. The 1985/86, 1986/87, 1987/88 and 1988/89 actual expenditures have been adjusted to include the capital expenditures related to the transfers mentioned in note 4 above.

Five Year Expenditure and Staffing Summary

Department of Rural Development
Five Year Expenditure and Staffing Summary by Appropriation ($000)

For years ending March 31, 1986 – March 31, 1990

Appropriation		Actual/*Adjusted Expenditures									
		1985–86		1986–87		1987–88		1988–89		1989–90	
		SY	$	SY	$	SY	$	SY	$	SY	$
13–1	Administration & Finance	19.06	776.2	20.21	872.5	20.13	913.3	19.34	1,021.3	20.20	1,180.7
13–2	Municipal Board	6.00	300.1	5.35	293.1	6.30	386.7	4.25	364.1	5.34	558.3
13–3	Municipal Advisory & Financial Services	28.10	26,417.1	29.05	28,804.1	28.06	28,457.8	26.30	30,622.8	23.46	31,754.0
13–4	Municipal Assessment	126.42	4,386.3	124.46	4,466.5	122.06	4,714.7	122.23	4,953.1	126.11	5,319.5
13–5	Research & Systems Services	16.49	820.8	17.11	964.8	18.09	1,264.4	18.42	2,696.3	21.46	3,299.7
13–6	Municipal Planning Services	75.08	2,866.3	73.42	2,879.3	69.07	2,800.7	65.09	2,786.4	66.39	2,958.6
13–7	Provincial Planning	7.39	352.5	7.35	370.1	7.23	374.8	8.15	410.6	8.30	456.2
13–8	Surface Rights Board	1.44	128.9	2.00	98.5	2.00	102.6	2.00	97.2	1.32	90.0
13–9	Manitoba Water Services Board	37.00	1,653.8	39.00	1,754.2	38.28	1,230.5	37.28	994.6	36.22	1,787.9
13–10	Rural Economic Development	5.26	1,070.4	5.26	967.5	9.00	1,226.2	9.00	1,207.7	8.30	1,154.4
13–11	Conservation Districts Authority	5.00	129.8	7.00	359.9	7.00	403.4	7.00	389.4	6.38	369.0
13–12	Expenditures Related to Capital		8,601.2		8,292.6		6,308.6		6,932.5		6,888.8
		329.16	47,503.4	332.13	50,123.1	328.18	48,183.7	320.50	52,476.0	326.36	55,617.1

Boards and Committees

The Municipal Advisory Committee

The President and Vice-President of the Union of Manitoba Municipalities, the Manitoba Association of Urban Municipalities and the Manitoba Municipal Administrators' Association sit on this committee which is chaired by the Minister of Rural Development.

The committee met on a number of occasions this year to discuss matters of mutual concern.

The Civic Service Board

The Board's mandate is to act as a Board of Reference to consider complaints from municipal councils, clerks, or municipal administrators.

Chaired by an independent person who is appointed by the province, Board membership represents the Union of Manitoba Municipalities, the Manitoba Association of Urban Municipalities, and the Manitoba Municipal Administrators' Association. The Board reports its findings and makes recommendations to the Minister of Rural Development.

In 1989-90, no meetings were called as there were no labour/management disputes requiring mediation.

The Municipal Employee Benefits Board

The Board administers a provincial pension and disability plan, and a group life insurance program for municipal and quasi-municipal employees. Board membership includes a chairperson and four appointees who represent municipal corporations and organizations. Chaired by the Deputy Minister of Rural Development, the Board reports to the Minister.

An annual report is prepared each calendar year.

Leaf Rapids Town Properties Ltd.

Leaf Rapids Town Properties (formerly Leaf Rapids Corporation) was formed in 1971 by a precedent setting agreement between the province and Sherrit-Gordon Mines. Under the agreement, all assessable surface property of the mining company was put on the tax roll for taxation purposes, making Sherrit-Gordon a corporate citizen of the Town. The province, through the Leaf Rapids Corporation, developed the townsite property and is recovering costs through land sales and property rentals, proceeds of Local Government Districts Denbenture issues retired through local taxation; provincial funding of schools and hospitals, and provincial grant programs.

The Corporation is managed by a four person Board comprised of senior civil servants representing the Clean Environment Commission, Manitoba Finance, Manitoba Energy and Mines, and Manitoba Rural Development. The Board is chaired by the Deputy Minister of Rural Development. Day-to-day management of the Town Centre, industrial park, mobile home park, and other properties is carried out by a staff of five under the direction of a General Manager.

In 1987, ownership of Ruttan Mines was acquired by Hudson Bay Mining and Smelting from Sherritt-Gordon Mines. Current high prices for ore have assisted the mining operation to achieve profitability. However, the limited duration of the remaining ore reserves continues to be a major concern for the mining company and the community. It has been estimated that approximately seven years' ore reserves remain.

An audited financial report is prepared each fiscal year.

Appendix

Appendix I

Legislation Administered by Manitoba Rural Development

The Assessment of Property for Taxation in Municipalities in 1981 and 1982
The Conservation Districts Act
The Local Authorities Election Act
The Local Government Districts Act
The Municipal Act (except Sections 295 to 306)
The Municipal Assessment Act
The Municipal Affairs Administration Act
The Municipal Board Act
The Municipal Council Conflict of Interest Act
The Municipal Debt Adjustment Act
The Municipal Works Assistance Act - 1964
The Official Time Act
The Planning Act, except in relation to Northern Manitoba, those provisions of The Act that by Order-in-Council No. 1245/76 are declared to apply mutatis mutandis to Northern Manitoba
The Soldiers Taxation Relief Act
The Surface Rights Act
The Unconditional Grants Act
The Water Services Board Act

NOTE: Legislative responsibility altered this year with the transfer to the Department of Rural Development of the Conservation Districts Authority, from Natural Resources; the Water Services Board, from Agriculture; and the Rural Economic Development Branch, from Industry, Trade & Tourism.

The Municipal Boundaries Act was repealed by SM 1988-89. Municipal Boundary descriptions are now contained in Manitoba Regulations. (M225-567/88R and L190-565/88R).

Appendix II

Manitoba Rural Development Offices

The Hon. Jack Penner
Room 330 Legislative Building
Winnipeg, Manitoba
R3C 0V8 (204) 945-3788

G. D. Forrest, Deputy Minister
Room 332 Legislative Building
Winnipeg, Manitoba
R3C 0V8 (204) 945-3787

Anna Fuller, Manager
Administrative & Financial Services
600-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2200

Rita Tecter, Director
Human Resource Services
600-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2195

Roger Dennis, Director
Municipal Advisory & Financial Service
607-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2567

Robert L. Brown
Provincial Municipal Assessor
500-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2605

Erv Griffin, General Manager
Manitoba Water Services Board
Box 1059, 2022 Currie Blvd.
Brandon, Manitoba
R7A 6A3 (204) 726-6076

Lyle Duguay, Manager
Conservation Districts Authority
404-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-7496

John N. Whiting, Director
Municipal Planning
404-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2158

Serge Scrafield, Acting Director
Provincial Planning
405-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2595

Marie Elliott, Director
Research & Systems
508-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2533

J. G. Donald, Chairman
Municipal Board
408-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-2941

Randy Smith, Chairman
Surface Rights Board
408-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-0845

Douglas G. Mitchell
General Manager
Leaf Rapids Town Properties Ltd.
600-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-4945

Leo Prince, Acting Director
Rural Economic Development
604-800 Portage Avenue
Winnipeg, Manitoba
R3G 0N4 (204) 945-1127

West-Man Cabinet Office
740 - 18th Street
Brandon, Manitoba
R7A 5B5 (204) 726-6798

Rural Development Institute
University of Brandon
270 - 18th Street
Brandon, Manitoba
R7A 5A6 (204) 727-7361

District Assessment and Planning Branch Offices

District Assessment Offices

Municipal Assessment Office
340 - 9th Street
Brandon, Manitoba
R7A 6C2 (204) 726-6002

Municipal Assessment Office
27 - 2nd Avenue S.W.
Dauphin, Manitoba
R7N 3E5 (204) 638-9111

Municipal Assessment Office
103 Main Street South
Minnedosa, Manitoba
R0J 1E0 (204) 867-2785

Municipal Assessment Office
101 - 11th Street
Morden, Manitoba
R0G 1J0 (204) 822-6161

Municipal Assessment Office
25 Tupper Street North
Portage la Prairie, Manitoba
R1N 3K1 (204) 857-9711

Municipal Assessment Office
103 - 235 Eaton Avenue
Selkirk, Manitoba
R1A 0W7 (204) 785-4132

Municipal Assessment Office
Civic Centre
Souris, Manitoba
R0K 2C0 (204) 483-2165

Municipal Assessment Office
323 Main Street
Steinbach, Manitoba
R0A 2A0 (204) 326-9896

Municipal Assessment Office
110 - 7th Avenue North
Swan River, Manitoba
R0L 1Z0 (204) 734-4566

Planning Branch Offices

Municipal Planning Branch
125 - 20 First Street
Beausejour, Manitoba
R0E 0C0 (204) 268-1411

Municipal Planning Branch
112 - 340 9th Street
Brandon, Manitoba
R7A 6C2 (204) 726-6267

Municipal Planning Branch
27 - 2nd Avenue S.W.
Dauphin, Manitoba
R7N 3E5 (204) 638-9111

Municipal Planning Branch
323 North Railway Street
Morden, Manitoba
R0G 1J0 (204) 822-6221

Municipal Planning Branch
25 Tupper Street North
Portage la Prairie, Manitoba
R1N 3K1 (204) 857-9711

Municipal Planning Branch
103 - 235 Eaton Avenue
Selkirk, Manitoba
R1A 0W7 (204) 785-4122

Municipal Planning Branch
323 Main Street
Steinbach, Manitoba
R0A 2A0 (204) 326-1381

Municipal Planning Branch
59 Elizabeth Drive
Thompson, Manitoba
R8N 1X4 (204) 677-6701

Municipal Assessment Office
59 Elizabeth Drive
Thompson, Manitoba
R8N 1X4 (204) 677-6693